OCTOBER 14, 1955 20 CENTS

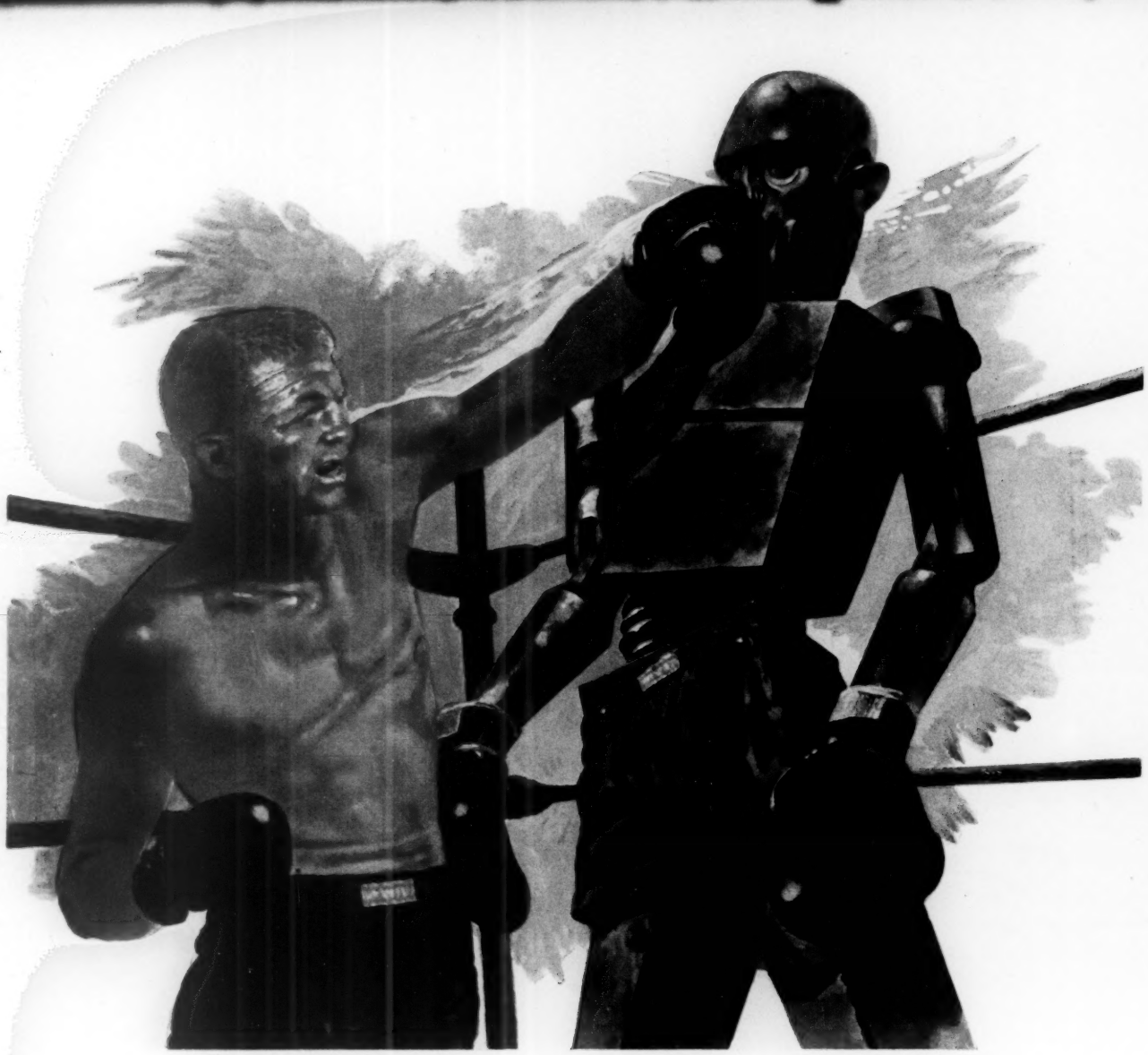
U.S. News & World Report

The United States News & World Report

WHY JOBS ARE INCREASING

What You Should Know About Your HEART

EXCLUSIVE INTERVIEWS with HEART SPECIALISTS



Lightweight Puncher

whips cold steel into shape!

Now there's a new way to stamp metal into useful shapes. Dies made of lightweight, easy-to-handle Epon® resin are replacing metal dies in many operations.

Used in forming steel, Epon resin dies require only a short production time, are low cost, inexpensive to maintain, and easily duplicated. Now, even short-run jobs can be paying propositions.

First developed for adhesives (an inch-square bond can take a two-ton pull), Epon resins stand up under the severest punishment of heat, pressure, chemical attack, and abrasion.

Epon resins are another example of the many petroleum-derived products with which Shell Chemical helps modern industry do better work at lower cost.

SHELL

Shell Chemical Corporation

Chemical Partner of Industry and Agriculture

NEW YORK

"Vision is Indispensable to Progress"

How "magic pennies" helped change ice boxes to refrigerators, carriages to cars

Every manufacturer must spread the news about his products—quickly, effectively, inexpensively. One customer telling another is too slow.

Mass selling is the only way to stimulate mass demand. Advertising is simply mass selling that paves the way for salesmen. Through advertising, businesses tell millions about their products and services for a fraction of a penny for each person reached.

Lives are enriched by advertising which stimulates "wanting," generates new ideas, speeds development and acceptance of new products, creates new jobs. Without advertising, a magazine might cost five times more, newspapers would have only a few pages, and there would be relatively few publications and broadcasting stations.

Advertising agencies prepare 30 million advertisements, 115 million TV and radio commercials, millions of booklets, letters, displays and other mass selling tools every year.

Business invests $9 billion annually in advertising to inform people about everything from new drugs to home freezers. When millions respond by buying, production can be increased, economies effected, and prices reduced. This productive circle maintains the free market in which the American consumer enjoys the finest selection of goods and services on earth.

BANKERS TRUST COMPANY

16 WALL STREET, NEW YORK 15, N. Y.

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

IN THIS ISSUE

★ Where New Gains by Reds Are Alarming the West

In two important, troubled areas of the world, Moscow is scoring strategic victories. One area is Southeast Asia, where Communists show alarming strength in Indonesia's election. See page 38. Other area is the Middle East, where Communists are arming Egypt, and Arab nations drift toward the Soviet orbit. That article is on page 42.

★ How to Keep the Boom Rolling

Here is the way the Administration hopes to maintain the boom and hold off threats of inflation or unemployment—as told by the President's top economic adviser. Page 48.

★ Battleground for the White House

Populous California, rich in votes and candidates, may become the key State in the developing presidential-election campaign. You get the skirmish lines on page 35.

★ Contents

March of News 4
Washington Whispers 6
Tomorrow: A Look Ahead 9
People of the Week 14
What's Next in Stock Market 19
When Washington Moves to Gettysburg— 22
★Why Jobs Are Increasing 25
Here's Official Word on Polio 28
Smoking on the Rise Again 30
Ike's Life as a Patient 32
California: Key to '56? 35
Indonesia—Another Country Going Red? 38
Middle East: Where U. S. Is Losing Again 42
President's Adviser Sees Good Times Ahead, 400-Billion-Dollar Economy 48
Worldgram 53
The Man—The News: Sherman Adams—Acting President 56
"Grass Roots" Report on the School Jam 60
We've Been Asked: About Draft Appeals 64
Memo From Argentina 69
★What You Should Know About Your Heart —Interviews With Top Specialists 72
News-Lines for Businessmen 94
News You Can Use 97
Labor Week: Does It Pay to Learn a Skill? 101
Why U. S. Uses Ex-Reds As Informants: J. Edgar Hoover, W. F. Tompkins Report 106
Business Around the World 111
General Gruenther Asks: Is Western Alliance in Danger of Breaking Up? 114
Finance Week: Where Taxes Are Rising 116
Trend of Business 121
Plus and Minus: Indicators of Business Activity 125
CIA Chief Allen Dulles Warns: Trouble Ahead From Russia's Surplus Guns 126
David Lawrence Editorial 132

The Associated Press is exclusively entitled to the use for republication of the local telegraphic and cable news published herein, originated by U. S. News & World Report or obtained from The Associated Press.

HANDY WAY TO SUBSCRIBE

U. S. NEWS & WORLD REPORT
Circulation Department, 437 Parker Ave., Dayton 1, Ohio

Please enter my subscription to U. S. News & World Report for one year and send bill to me. (U. S., its possessions and Canada, $5, other countries, $6.)

Name_____

Address_____

City_____ State_____

NHW 26

THE UNITED STATES NEWS

WORLD REPORT

U. S. WEEKLY
Three Titles Reg. U. S. Pat. Off.

Published weekly at Washington, D. C., Editorial and Executive Offices, the United States News Building, 24th & N Streets, N.W., Washington 7, D. C. Subscription rates, delivered prepaid, to United States, its possessions and Canada, $5 for one year, $8 for two years, $10 for three years. Postage to other countries $1 a year additional. Entered as second-class matter at the post office Washington, D.C., under the act of March 3, 1879.

Entire contents of this publication copyrighted 1955 by United States News Publishing Corporation. Rights reserved under Pan American Copyright Convention and International Copyright Convention.

BOARD OF EDITORS

DAVID LAWRENCE, *Editor*
OWEN L. SCOTT, *Executive Editor*
BEN J. GRANT, L. NOBLE ROBINSON
Assistant Executive Editors
CARSON F. LYMAN
Managing Editor
WALTER HUSTED, *General News Editor*
DEREK FOX, *Art Editor*

ASSOCIATE EDITORS

W. B. RAGSDALE, GEORGE W. BOLTON
RICHARD L. TURNER, GLENN WILLIAMS
M. L. RAMSAY, W. C. BRYANT
JOHN H. ADAMS, GEORGE E. JONES
FRED M. HARMON, JULES B. BILLARD
ARCHIE ROBINSON, ROBERT GINSBURGH
LEONARD WILLIAMS, DONALD P. DOANE
CHARLES M. PLATT, CLARKE BEACH
J. FRANK DIGGS, GRANT SALISBURY
CHARLES E. WHITING
A. S. McLEOD, *Chief Economic Unit*
PHILIP H. BOLLINGER, CHARLES H. DAVEY
JOHN B. BLEDSOE, THOMAS H. F. HUGHES

Regional Editors: New York—GILMORE IDEN, FRED VANDERSCHMIDT; San Francisco—EDWIN J. DRECHSEL

NEWS EDITORS

TURNER ROSE, *Chief of News Editors*
WILLIAM H. RIEBOLD, DONALD BECKER
THURBER W. CUSHING, JOHN P. SUTHERLAND
F. W. GAPP, L. DAVID LeROY
N. KEY HART, F. E. GALBRAITH, JR.
FRED A. EMERY, CLAIR JOHNSON
FRED C. PAINTON

Assistant News Editors: Barbara Blair Furlow, Iva Holland, Lucy Cobb Jones, Thomas E. Russell, Donald Smith.

Research: Catherine Adams, Mabel S. Groettum.

WORLD STAFF

HOWARD FLIEGER, *Directing Editor*
JOHN R. FLEMING, *Associate Director*

CHARLES FOLTZ, JR., *European News Editor*
CLARK H. GALLOWAY, *Inter-American News Editor*
PERRY K. SELLON, *Editor, World Business*

CHARLES H. KLINE, *Associate Editor, London*

REGIONAL EDITORS ABROAD

ROBERT KLEIMAN ..... Western Europe
KURT LACHMANN ..... Central Europe
JOE FROMM ..... Southern Europe
JOHN D. LAW ..... Southeast Asia
ROBERT P. MARTIN ..... Japan and the Far East
ALBERT J. MEYERS ..... United Kingdom

BUREAUS: LONDON, PARIS, BONN, ROME, NEW DELHI, TOKYO

ART DEPARTMENT, WASHINGTON

H. KLEBANOFF, *Director*, J. Ernest Beavin, H. C. Richardson, Walter O. Gretschel, E. H. Castens, M. J. Shimp
Staff Photographer: Thomas J. O'Halloran, Jr.

LUTHER A. DAWSON, *Librarian*

BUSINESS DEPARTMENT

24th & N Sts., N.W. Washington 7, D. C.
JOHN H. SWEET, *Publishing Director*
ANTHONY R. GOULD, *Business Manager*
HAROLD M. WELLS, *Executive Secretary*
W. L. BRAUER, *Treasurer*

ADVERTISING DEPARTMENT

30 Rockefeller Plaza, New York 20, N. Y.
Tel. Circle 6-3366
H. L. BEHLKE, *Director of Advertising*

NORMAN O. MICK, *Associate Advertising Director*
35 East Wacker Drive, Chicago 1, Ill.
Tel. Dearborn 2-4042

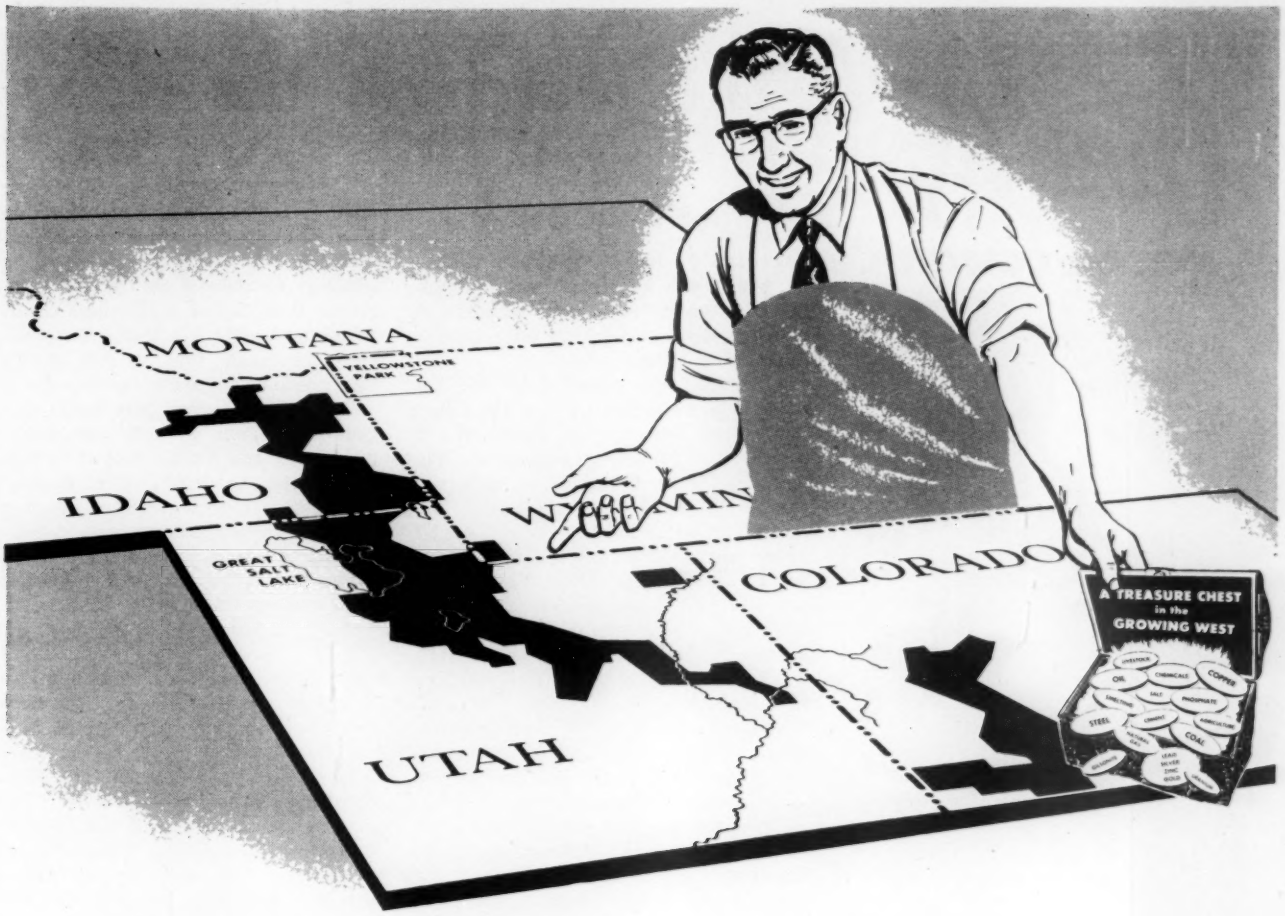
CIRCULATION DEPARTMENT

435 Parker Avenue, Dayton 1, Ohio
W. W. SPURGEON, *Manager*

PRODUCTION OFFICE

RALPH M. FRANCISCO, *Manager*
350 Dennison Avenue, Dayton 1, Ohio
Tel. Melrose 9231

All communications relating to news or editorial matters should be addressed to the Executive Offices, 24th & N Streets, N.W., Washington 7, D.C. Tel. District 7-2900. Communications relating to subscriptions should be addressed to Circulation Department, 435 Parker Avenue, Dayton 1, Ohio



This is Basic Source Land for the Great Chemical Age...

new--fresh--virtually untouched

- Every major basic raw chemical.
- 60% of U.S.A. phosphate reserves.
- 214 different minerals.
- One-third of nation's copper.
- Largest proved uranium reserves in the nation.
- Greatest concentration of non-ferrous metal mills, smelters, refineries in U.S.A.
- Largest steel mill west of the Mississippi.
- Low-cost power, water, fuel.
- Intelligent and stable labor force.
- Sound diversified economy.
- Healthful climate with low humidity.
- A gateway to the rich, far west market where America is growing fastest.
- Plus . . . plenty of "elbow room".

The catalog of raw materials occurring in "Treasure Chest" land—*mostly in enormous quantities*—lists practically every element in the atomic scale. Here in the vast Utah, Idaho, Colorado and Wyoming area served by Utah Power & Light Company, many well-known American firms have already begun to dig into new, fresh, almost unlimited sources of wealth. But they have barely scratched the surface. The potentialities merit the careful study of any industry seeking larger opportunity for today and the future.

Ask for copy of "A Treasure Chest in the Growing West"

Detailed information is presented in this Area Resource Brochure. Write, wire or telephone for a copy Inquiries held in strict confidence. Address: W. A. Huckins, Manager, Business Development Department, Dept. 8, Utah Power & Light Co., Salt Lake City 10, Utah.

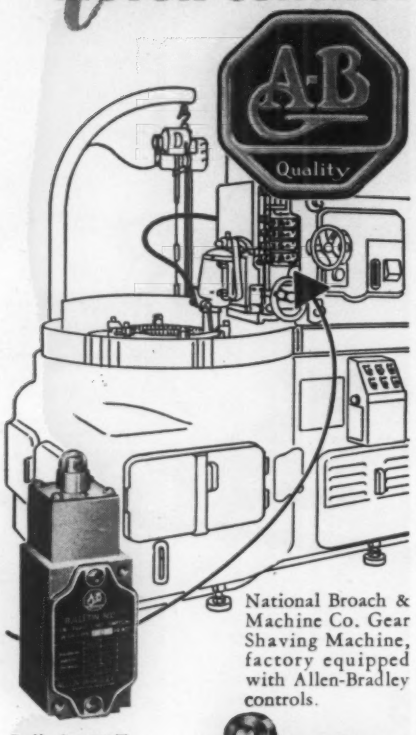
UTAH POWER & LIGHT CO.

A Growing Company in the Growing West

THE SIGN OF

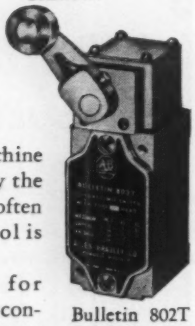
Quality

MOTOR CONTROL



National Broach & Machine Co. Gear Shaving Machine, factory equipped with Allen-Bradley controls.

Bulletin 802T Oiltight Push Type Limit Switch.



Bulletin 802T Oiltight Roller Lever Limit Switch.

When you order a machine tool and do not specify the control, just note how often Allen-Bradley control is furnished!

This preference for Allen-Bradley motor control has been earned over the years by its consistent operation and trouble-free performance. Allen-Bradley solenoid controls have only *one* moving part . . . there are no pins, hinges, or levers to cause trouble. This is your assurance of millions of trouble-free operations.

Allen-Bradley Co.
1348 S. Second St., Milwaukee 4, Wis.
In Canada—
Allen-Bradley Canada Ltd., Galt, Ont.

ALLEN-BRADLEY

MOTOR CONTROL

QUALITY

The March of the News

NEW MOON

AMERICA'S OUTER-SPACE project—which will culminate with launching of a small, man-made satellite to circle the earth and gather information—is beginning to take shape.

A contract was awarded by the Defense Department last week to the Glenn L. Martin Company, of Baltimore, to provide the launching apparatus. The General Electric Company is to supply a rocket motor for the first phase of the artificial moon's journey.

New details were announced. Three rockets, operating one after another, will carry the satellite to the desired distance from the earth and establish it in its orbit, which will be elliptical rather than circular. For several days it will move about the earth every hour or two. The satellite's closest approach to earth at that time is estimated at about 200 miles. After several days it will lose momentum, fall and disintegrate in mid-air.

The exact size and shape of the satellite has not yet been determined. The Department said, however, that it would be small, yet large enough to contain a number of instruments and still be traced from the ground "by optical and radio devices."

All scientific information acquired will be shared with other nations.

FASCINATING READING

MAIL-ORDER CATALOGUES are one of the big hits of the U. S. Information Agency's libraries in other countries. In fact, the agency reported, in some places the American catalogues get such hard usage that they wear out, are patched up and used again.

Some readers simply stare in bewilderment at the profusion of items to be had. Others associate words and pictures as a means of learning English. Another group scours the catalogues for manufacturing ideas.

USIA said that, so far this year, it had sent 3,500 copies of the catalogue of one mail-order house, alone, to its overseas branches.

RUSSIAN HOUSING TOUR

A 10-MAN RUSSIAN DELEGATION, architects and construction experts, set out on a month-long tour of U. S. building developments and found themselves quickly impressed by many things.

They were struck first of all by the variety of homes built from the same basic plan. Not long ago, Nikita Khrushchev, Russia's Communist chief, criticized Soviet architects for lack of imagination.

There was much curiosity about earth-moving equipment, the use of gypsum, rather than lathed walls, and what the Russians thought a lack of the use of concrete. In Russia, builders rely heavily on big reinforced-concrete sections.

The visitors were impressed, too, by built-in kitchen gadgets and both the prevalence and shallowness of U. S. bathtubs. They explained that, in Russia, the ceilings are higher and the tubs deeper.

First interest, however, was in the construction of multi-dwelling buildings, rather than in homes for a single family.

U. S. PAYROLL UP—AGAIN

AN INCREASE of 482 civilian employes in the executive branch of the Government between July and August brought the total number of U. S. employes to 2,385,077, a congressional committee reported. Senator Harry F. Byrd (Dem.), of Virginia, chairman of the Joint Committee on Nonessential Federal Expenditures, said this was the seventh consecutive monthly rise and the longest continuous increase since July, 1952.

ATOMIC SEAPLANES?

THE AIR FORCE HINTED at developments that could revolutionize long-range, strategic bombing, the basic AF mission.

Gen. T. D. White, the AF's Vice Chief of Staff, talked of bringing back the old seaplane, souping it up with atomic power, basing it on the water. The advantages: reduction in the dependence on overseas land bases that long has worried top airmen and decreased reliance on aircraft carriers, which the AF is not enthusiastic about, either.

BRAZILIAN ELECTION

A SOCIAL DEMOCRAT, running with Communist support, Juscelino Kubitschek, appeared to be the winner of last week's Brazilian presidential election. Mr. Kubitschek, heir to much of the political following of the late President Getulio D. Vargas, is not a Communist himself. The Communist Party is outlawed in Brazil but placed its strength, less than 10 per cent of the voters, behind Mr. Kubitschek.

It takes a week or more to count the Brazilian vote, but, after several days, Mr. Kubitschek's lead appeared commanding. Trailing him were Adhemar de Barros, wealthy industrialist, Juárez Távora and Plinio Salgado.

Are your communications geared for profit?

Look how the telephone can save you time and money

There is hardly any limit to the number of things you can get done—at a profit—through the planned use of the telephone.

The representative of 50 west coast lumber mills, for example, has increased sales 65% by Long Distance, without increasing his sales force.

A southern industrial equipment firm estimates it saves $12,000 a year in selling costs by inviting out-of-town customers to telephone their orders collect.

A large midwestern manufacturing company reports it collects more than $500 in overdue accounts for every $1 spent for out-of-town calls.

As a result of these experiences—and those of hundreds of other firms—we have some specific suggestions about communications we'd like to pass along to you. Just call your Bell Telephone Business Office. There's no obligation. A representative will visit you at your convenience.

LONG DISTANCE RATES ARE LOW

Here are some examples:

Boston to New York	**75¢**
Des Moines to Minneapolis	**85¢**
Phoenix to Los Angeles	**$1.10**
St. Louis to Denver	**$1.60**
San Francisco to Washington, D. C.	**$2.50**

These are the daytime Station-to-Station rates for the first three minutes. They do not include the 10% federal excise tax.

CALL BY NUMBER. IT'S TWICE AS FAST.

BELL TELEPHONE SYSTEM

Washington Whispers

[Items appearing on this page are reported in Washington and other news centers]

Ike to Give Plans by January 1? . . . Treasury Chief Cool to Tax Cuts . . . Adlai May Skip Primary Tests

White House aides are hinting that President Eisenhower might be talked into accepting a second-term draft if the office of the Chief Executive could be "reconstructed" so that its responsibilities were divided and not centered in one man.

★ ★ ★

Mr. Eisenhower is expected by party leaders to announce his plans for the future by or shortly after Jan. 1, 1956. Few politicians, in private, express any doubt that the President will decide to retire after his first term.

★ ★ ★

The President is described by some of his closest friends as being more cheerful now that his illness has made it easy for him to decide what his future personal plans are to be. The President was becoming irritated by pressures to get him to agree to accept a draft.

★ ★ ★

Adlai Stevenson, 1952 Democratic nominee, is inclined to stay out of presidential-primary campaigns in 1956 rather than risk a test of popularity with Senator Estes Kefauver, who is planning to enter most primaries. If Mr. Stevenson goes into primaries and is beaten, he suffers, but, if he stays out, it may look as if he is afraid to test his actual popularity.

★ ★ ★

Richard Nixon, Vice President, is the object of a concerted campaign, both by Democrats and by some important Republicans, designed to block him from the 1956 Republican nomination after Ike steps out. Nixon friends are confident of coming out on top if the Vice President is not unfairly tripped up.

★ ★ ★

Thomas Stephens, former White House aide who had been helping arrange the Eisenhower-draft movement, now is reported by some members of Congress to be assisting a group of Eisenhower friends who are described as determined to stop Mr. Nixon.

★ ★ ★

Sherman Adams, the President's staff chief and "acting President," is pictured as friendly to the group interested in stopping Mr. Nixon.

★ ★ ★

Christian Herter, Republican Governor of Massachusetts, is actively backed for the 1956 nomination by important party groups in a number of Eastern States.

★ ★ ★

This country's State Department missed it badly in forecasting how the important election in Indonesia would come out. U. S. diplomats were highly confident that the anti-Communist forces would win. The Communist and fellow-traveler groups, instead, won easily, thereby laying the groundwork for taking over control of another part of the world.

★ ★ ★

George Humphrey, Treasury Secretary, is trying hard to cool the ardor of members of Congress for tax cuts to take effect in 1956, but is not meeting with great success. There is a tendency to listen politely to arguments by the Treasury chief and others that tax cuts should not be considered before income matches outgo, but then to go on planning tax cuts.

★ ★ ★

President Eisenhower is somewhat startled to find how much it is costing him to get his Pennsylvania farm into working order. Costs of acquiring the land and remodeling the house already have skyrocketed far above original plans.

Ezra Benson, Secretary of Agriculture, is hearing from Republicans in farm States that farmers often appear to be more disturbed by the new increases in prices of farm machinery than they are by the declining price of hogs and cattle.

★ ★ ★

This hypothetical question has been raised by important military officials: If Eisenhower should be incapacitated and if a foreign power took advantage of this fact to move against the U. S., who would make the decisions and issue the orders for action by U. S. armed forces? The answer being given is this: probably Sherman Adams, speaking for the White House and acting on advice of the Security Council and Secretary of State.

★ ★ ★

Mr. Eisenhower's economic advisers are not upset by the decline that has occurred in the stock market. The goal of White House policy still is to slow the boom moderately, and any evidence of mild slowing is welcomed.

★ ★ ★

American officials are beginning to suspect that Nikita Khrushchev, the new Soviet strong man, is playing them for suckers with his smiles and talk of "Geneva spirit" at a time when Communists are making big gains in all directions and stirring trouble from one end of the world to the other.

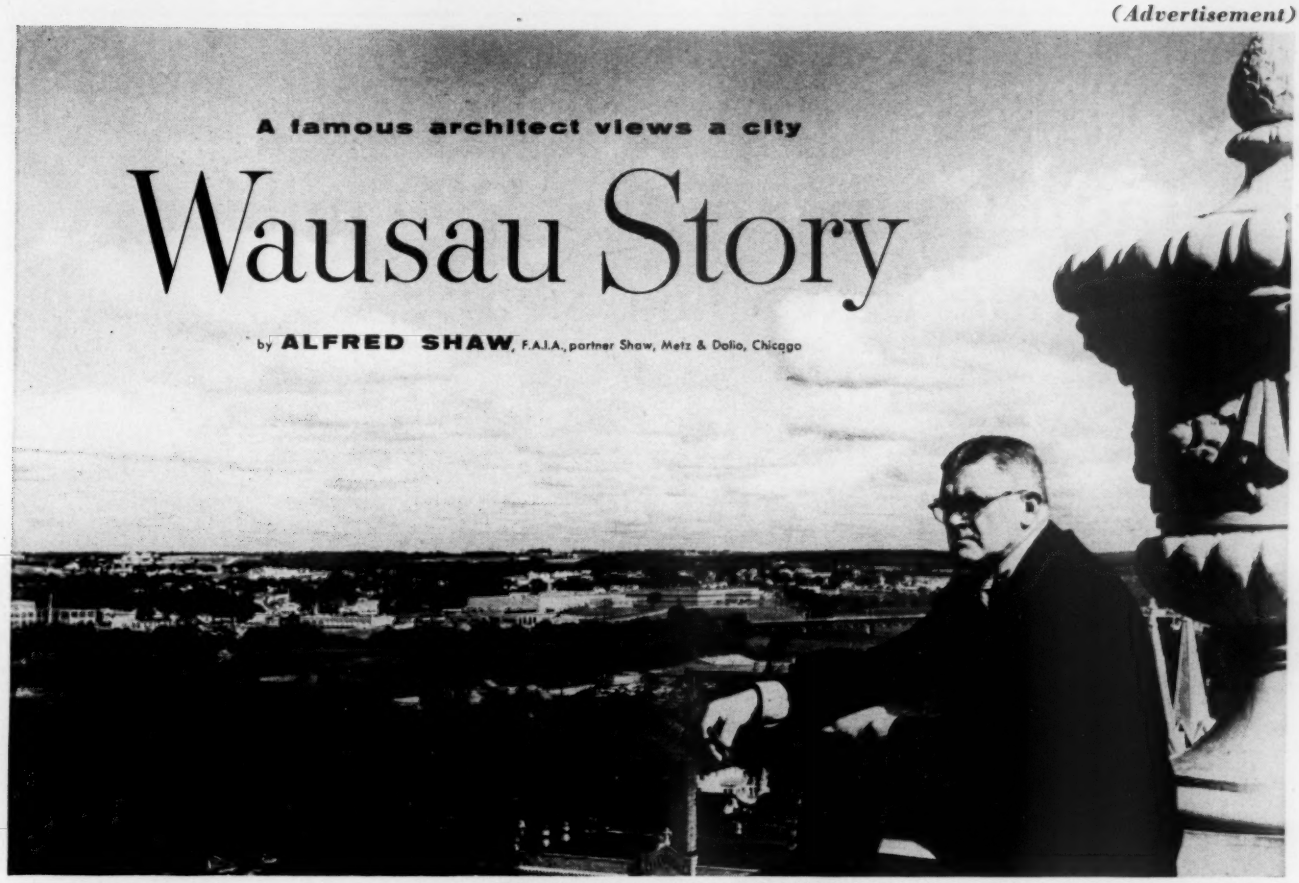
★ ★ ★

The Eisenhower Administration has made more than 60,000 political appointments in less than three years, and its political aides feel that all groups in the party now are relatively well satisfied with the patronage situation. It is expected that the squabbles over jobs that developed in 1953 and 1954 will be avoided by 1956.

A famous architect views a city

Wausau Story

by **ALFRED SHAW**, F.A.I.A., partner Shaw, Metz & Dolio, Chicago



The view of Wausau from atop the Hotel Wausau interested Mr. Shaw, who not only helped design such buildings as Chicago's Merchandise Mart and Argonne National Laboratories, but is also a member of the Chicago Plan Commission.

"ABRAHAM LINCOLN said: 'I like to see a man proud of the place in which he lives' . . . and 'live in it so that his place will be proud of him.'

I felt much of this pride in Wausau, as I watched workmen erect a shopping center . . . as I talked with young people in their new homes.

Wausau should be proud. It hasn't all been easy.

We visited a granite quarry where the famous Ruby Red granite is mined. There, on the quarry face, I noticed a fine apple tree growing out of almost solid rock. It reminded me of Wausau. A solid background of lumbering . . . hard men, tough timber and machines. And out of it has grown something very good.

When they hauled away the big timber years ago, the people who pioneered in Wausau could have left too. Instead they stayed. They and their children built a new Wausau. They're still at it.

This has meant hard work. It takes hours to cut a single chunk of granite. It takes time, too, for a city to build industries, schools and subdivisions. Wausau is doing it, and has a Planning Commission to see it's done right. I see now why so many say that the 'Wausau way' is a good way of doing business. It is."

In talking with Mrs. Richard Helke of Wausau, Mr. Shaw remarked: "The back yards of these homes look better to me than many front yards I've seen."

At the granite quarry of Anderson Bros. & Johnson in Wausau. Mr. Shaw is currently a member of the group designing U.S. and naval bases in Spain.

Employers Mutuals of Wausau are "good people to do business with."

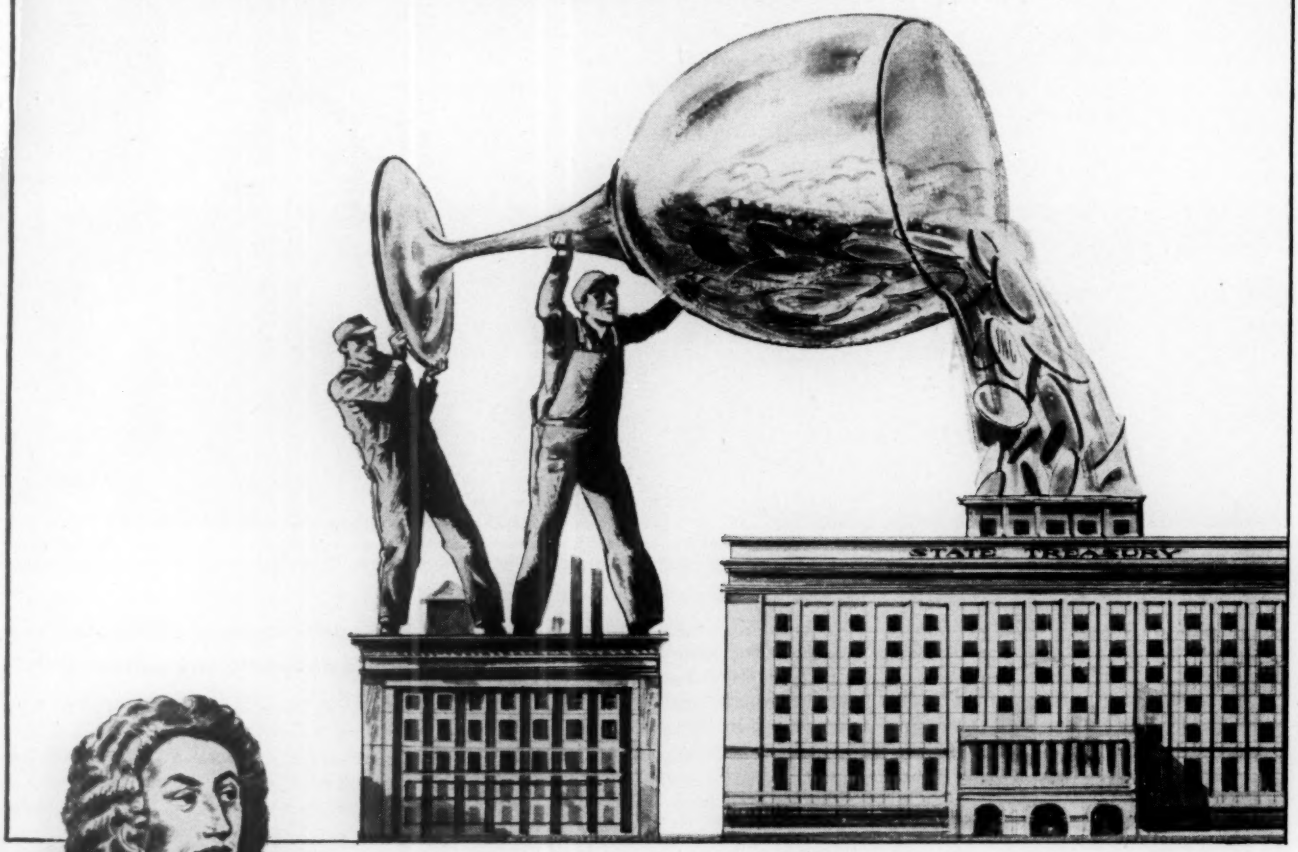
During his Wausau visit (see story left) Mr. Shaw remarked: "When we finish a building we don't just walk away from it. We keep working until everyone is satisfied."

This, too, is the way we like to do business. One of Employers Mutuals' major lines of insurance is **workmen's compensation.** We believe it's important to *keep* working on our policyholder's problems, not merely wait until trouble develops.

Take the matter of accidents. They are controllable. The fewer a company has, the more it can save on costs. Therefore, Employers Mutuals works *continuously* to help you prevent accidents. Trained safety engineers and occupational health nurses *team with your own people* to reduce accidents and save you money. Their services cost you nothing, yet can contribute impressively to your profits. We'd like to talk over our services with you. Phone our nearest office, or write to Employers Mutuals, Wausau, Wisconsin.

Employers Mutuals *of* Wausau

Did you know the Brewing Industry paid over $200 million in state taxes last year?



James Oglethorpe, founder and first governor of Georgia, was an early advocate of brewing in the South. His viewpoint that beer is a temperate beverage was shared by Patrick Henry, Thomas Jefferson, Samuel Adams—and other famous American patriots.

Besides paying $775 million in taxes to the Federal Government in the fiscal year of 1954, America's almost three hundred brewers also paid $201,872,000 to our state treasuries.

In many states this revenue, together with county and local taxes, is earmarked to help provide old-age pensions, build and maintain schools and pay teachers' salaries. Without this revenue, undoubtedly most real estate and other state and local taxes would have to be increased. This is another example of how beer—the beverage of moderation—plays a hard-working role in our nation's economy.

United States Brewers Foundation... Chartered 1862

One of America's Oldest Continuous Non-Profit Trade Associations
Representing over 86% of the Country's Malt-Beverage Production

FROM THE NATION'S CAPITAL

Tomorrow®

A LOOK AHEAD

Newsgram®

24th and N Streets, N.W.
Washington, D.C.

Enough straws are blowing to show the coming trends in business.

Boom top, it seems likely, will be reached in first quarter, 1956.

Moderate easing, a bit of softness, is probable in spring and summer.

Hesitation will be expected in the pre-election period of autumn.

Then, if Democrats win, uncertainty, watchful waiting for policies to clarify, will probably lead to some setback. If Republicans win, there most likely will be a new push upward based upon good business sentiment.

Chances are that 1956 will be no better, as a whole, than 1955. It may be a little less good--with a strong start, then a mild easing.

In 1955 it's been the reverse. A moderate start, then a strong finish.

Total activity--called "gross product"--may touch the rate of 400 billions mentioned by the White House, but it is not likely to average out at that rate for 1956. The 1955 average is likely to be around 385 billions.

Of course, if 1956 averages that high, it will not be a bad year.

Here, in broad outline, is probably what you can expect:

Personal spending to be a little higher in 1956. Spending on autos, on other durables to be down a bit. Spending on food, clothing, other so-called nondurables, to be stable or a little higher. Spending on services, on vacations, rents, beauty parlors, among other things, to be higher.

Building is likely to be down moderately. Government is trying to slow it up and is likely to succeed. Inventory accumulation will slow a little. Spending by governments on goods and services will be stable.

The official plan is to slow the boom, and it is very likely to work.

Here, in figures, is the prospect, roughly: Total spending: around the 385 billions probable for this year. Personal spending: maybe at a level of 255 billions, up from 251 billions in 1955. Government spending: at a rate of 77 billions for goods and services; federal, 45 billions, State and local, 32 billions. That's higher for State and local. New construction: probably 28 billions for private construction, down from 29.6 billions in 1955. Inventory accumulation: maybe at a rate 2 billions under 1955.

The big change is likely to be that the rapid rise of 1955 probably is not to continue next year. Restraints applied to the boom will take hold, as they now are taking hold in construction. Political uncertainty will be a factor, too, one that had not been counted upon as it now must be.

Tightened credit, pinching now, is likely to be eased before mid-1956.

 (No part of this or any other page may be reproduced without written permission)

Mortgage terms, harder to meet, are slowing house sales; may be eased before many months. Political pressures are growing.

Installment terms, tightened by some lenders, will tend to ease when restraints on the supply and cost of credit are loosened.

Before mid-1956, maybe early in 1956, borrowing will be made easier. Trend in interest rates, in the cost of borrowing, then will be down. It has been upward as Government sought to check the boom and limit borrowing.

Private debt--mortgage debt and installment debt--its volume and its quality, has been an official worry. However, at the first signs of any real slowing in business, those worries probably will be forgotten. The aim still is to have the climate of business good at voting time next year.

There is this to bear in mind during a time of political uncertainty:

Democrats tend toward a policy of "soft" money. They tend to look to Government to assure good times. Taxes are geared to relief for the lower income groups, to looking to spending by the masses to bring prosperity.

Republicans put more emphasis upon private enterprise, upon incentive for individuals to venture and invest. Taxes recognize reward for success to stimulate venturing. There is more dependence upon private industry, less upon Government as the source of all good things.

The political clash ahead will involve contrasting philosophies.

Eisenhower, recovering, still has a long way to go before he takes a real hold again, before he is full time on the job in Washington.

The schedule talked of, is this: Denver until first week in November. Gettysburg, on the farm, into December. Washington, briefly, after that.

Augusta, Ga., for a few days. Washington again, briefly, then Augusta for Christmas and New Year. Palm Springs, Calif., mentioned now as a possible winter-vacation spot. Washington in March.

It is expected to be spring before Eisenhower settles down to normal.

Sherman Adams, in effect, is running the White House. Ike can decide the broad issues, set the direction. Adams is the Government's operating head.

Irritating issues, squabbles, clashes of viewpoint that must be resolved, all are kept from Eisenhower. It is considered doubtful that the President again will get deeply into the stresses and strains of politics. Effort will be made to keep him from getting stirred up.

Politics itself will be fluid for a number of months. Nixon, to date, has the inside track among Republicans, but the shooting at him is started. Stevenson has strong Democratic support. City machines, however, are tending to the Harriman side, and it's notable that Truman, who is closely aligned with the city organizations, may be cooling toward Stevenson.

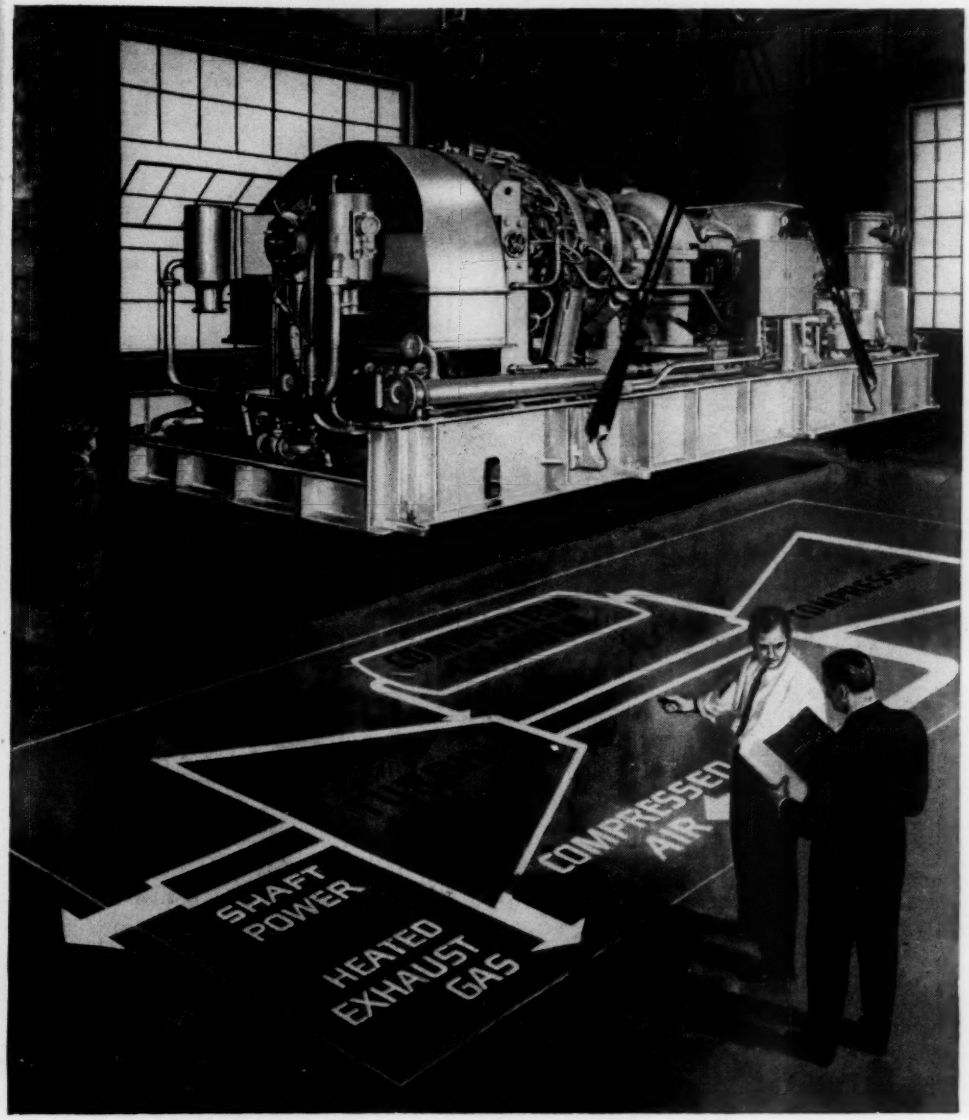
There are plenty of individuals, both young and old, who are willing to take on the burden of the Presidency without any changes in the way it is set up and without any lessening of its centralized responsibilities. There will be no tinkering with the office of the President.

Communists all around the world are having a high old time, making big gains most everywhere under the calm of the so-called "Geneva spirit."

 (No part of this or any other page may be reproduced without written permission)

Does your plant need heat? Shaft power? Compressed air?

Versatile G-E Gas Turbines are now providing all three—with savings in initial investment, operating and maintenance costs



One of the best features of a gas turbine is its versatility. If your plant needs shaft power for driving electric generators, compressors, pumps and fans; or compressed air for process; or hot gas for process; or a combination of the three, chances are that a General Electric Gas Turbine is your best bet. Here are the complete details:

Shaft power is bound to be one of the primary requirements of your industrial operation. A variety of G-E Gas Turbine arrangements makes possible either a constant shaft speed or variable shaft speeds down to 35% of rated speed. Several sizes, up to 21,500 hp, are available.

Compressed air can also be tapped directly from the gas turbine compressor. While shaft power available for other uses decreases with the amount of compressed air you require, a considerable amount of both can be produced simultaneously. A recent study shows that a 5000 kw G-E Gas Turbine could deliver 12,300 scfm of compressed air at 90 psia—and still have enough power left over to generate 2500 kilowatts of electricity.

Hot exhaust gas is another G-E Gas Turbine by-product that can be useful in your operation. Used as highly preheated air, it can serve as a dryer in, for instance, cement and wood products plants. Or, it can help generate steam for petroleum, paper, chemical, rubber and other industries that require it.

Running virtually unattended, a G-E Gas Turbine needs no coddling. Furthermore, it has so few parts subject to wear that maintenance is ordinarily just a matter of routine check-up, costing—according to one user—an average of only $2.05 per installed kilowatt per year. When compared with maintenance expense for other kinds of complete power plants, this represents a significant saving. Another company, reporting on the reliability of its G-E Gas Turbine, states that the units have been available for operation 97% of the time—with forced outages averaging less than 0.1% over the past year.

Why not check into the benefits a G-E Gas Turbine might bring to your operation? Your nearest G-E Apparatus Sales Office will be happy to explore the possibilities with your engineers. Or write for bulletin GEA-5516. General Electric Company, Section 261-10B, Schenectady 5, New York.

GENERAL ELECTRIC GAS TURBINES OFFER ALL THESE ADVANTAGES TO INDUSTRY:

SELF-CONTAINED POWER PLANT—needs no boilers, fans, etc.

VERSATILITY—can provide three types of energy: shaft power, heated exhaust gas, compressed air.

LOW FIXED CHARGES—simplicity of design means lower installed cost.

LOW OPERATING COST—runs virtually unattended; few wearing parts mean low maintenance.

EXPERIENCE—G-E Gas Turbines have been in use since 1949. Now, over 100 units have accumulated 95 turbine operating years.

QUICK INSTALLATION—units in most ratings are shipped on integral base requiring simple foundation and small area.

Progress Is Our Most Important Product

GENERAL ELECTRIC

She controls her climate.....

For heating, cooling, ventilating...
for <u>any</u> air condition, turn to

TRANE

MANUFACTURING ENGINEERS

The Trane Company, La Crosse, Wis. • Eastern Mfg. Div., Scranton, Pa.
Trane Co. of Canada, Ltd., Toronto • 90 U.S. and 17 Canadian Offices

..he controls his costs...

...both get what they want with UniTrane air conditioning

She says comfort is a *personal* matter. She wants to control her own climate. And with UniTrane air conditioning *she does!* UniTrane is multi-room air conditioning with *personalized control at every unit!*

He says comfort is important—but costs, too, must be considered. And he likes UniTrane *economy!*

With UniTrane air conditioning, each occupant uses only the cooling or heating he needs. Individual units can be *shut off* where cooling isn't needed, without affecting the rest of the system. There's no wasted air conditioning!

Installation costs are lower, too. A single piping circuit provides hot water for winter heating, and chilled water (see CenTraVac illustration below) for summer cooling. Remodeling is easier and less costly. UniTrane units can be moved or changed at any time because each unit operates independently of a central ventilation system.

So if *you* say maximum comfort and maximum savings ought to go together—*they do!*

Get complete information about these new, completely redesigned UniTrane Air Conditioning Units today. They're whisper quiet, more efficient than ever, and 25% slimmer in a new space-saving, wall-hugging design. Have your engineer or architect contact your nearby TRANE Sales Office, or write TRANE, La Crosse, Wis.

New free booklet, *"Choose your own weather with UniTrane," explains in businessman's language how to get the most air conditioning for the money. Write for it today.*

TRANE CenTraVac supplies chilled water for UniTrane units (shown at left). Exclusive new hermetic design prevents costly refrigerant loss, eliminates noisy, troublesome gear boxes. Operation is quiet, vibration-free—*completely automatic!*

PEOPLE ★ ★ ★

OF THE WEEK

› CHRISTIAN A. HERTER, mentioned as a possible Republican presidential candidate in the event President Eisenhower does not run, is in the odd position of not knowing whether he could accept nomination. It's a matter of his birthplace. And he would like to have the issue settled officially.

The 60-year-old Governor of Massachusetts was born in France, where his parents—both Americans—were studying art. There is no doubt that he is a U. S. citizen. But the Constitution says, in part: "No person except a natural-born citizen, or a citizen of the United States at the time of the adoption of this Constitution, shall be eligible to the office of President. . . ."

A report by the Legislative Reference Service of the Library of Congress, made in 1952, said whether a child born abroad of American parents is a "natural-born citizen," in the sense of that clause, has never been determined. Friends of Governor Herter are hoping to get a court ruling that he is, indeed, eligible for the Presidency.

Governor Herter served 10 years in the U. S. House of Representatives, is credited with being one of the major architects of the Marshall Plan. He is a strong backer of Mr. Eisenhower, has taken no part in the proposed court action, but says: "I'd just as soon have it cleared up, so I wouldn't have to talk about it any more."

› PREMIER-DESIGNATE of Greece moved swiftly to form a new Government, hoped to win a vote of confidence from Parliament this week. He is **Constantine Karamanlis,** an anti-Communist with middle-of-the-road political views, a popular cabinet minister in previous Governments.

King Paul's selection of Mr. Karamanlis to lead the nation came as the Greek people were paying their last respects to Premier Alexander Papagos, wartime hero of the country's stout resistance to Italian and German aggression. The 71-year-old Field Marshal Papagos died of the effects of an illness contracted in a Nazi prison camp.

Mr. Karamanlis, 48, has been a member of the Greek Parliament since 1935—except during the periods of John Metaxas's dictatorship and the German occupation. A moderate, he has steered clear of political squabbles. As Minister for Public Works, he won wide popularity by putting through a sweeping program of road building, fostering land-reclamation projects in rural areas.

The Premier-designate was born in Serres, Macedonia, the son of a poor tobacco farmer. He studied law at Athens University. Associates say he is grateful for the West's postwar aid, but reluctant to take advice from foreigners.

› A BUSINESS EXECUTIVE with a keen sense of duty has joined the Government's official family—at a consider-

(Continued on page 16)

"TO GRANDFATHER—GET WELL"

› AN AMATEUR PAINTER had three new works of art—crayon drawings by his grandchildren—to cheer him while his heart mends in a Denver Hospital.

President Eisenhower received the sketches, accompanied by six pieces of bubble gum, in a gift package sent by **Susan,** 3; **Barbara Anne,** 6½; and **David Eisenhower,** 7½. They are the children of the President's only son, Maj. John Eisenhower.

David's offering included a picture of the President and himself

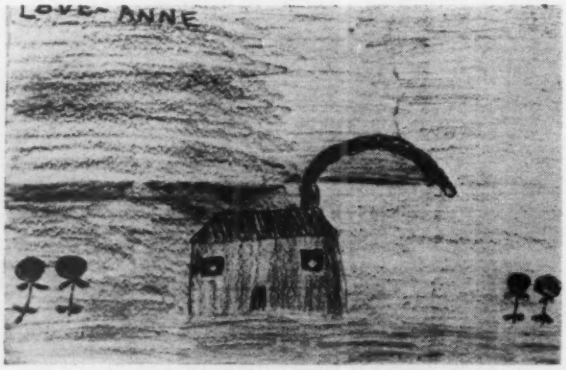
BARBARA ANNE

DAVID

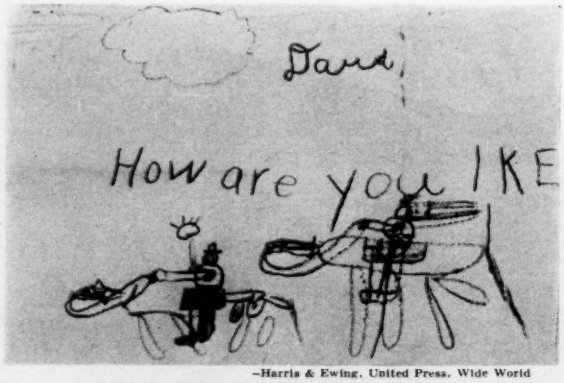
riding horses, with the inscription: "How are you, Ike." Barbara Anne sent a pastoral scene, with smoke pouring from the chimney of a farmhouse—possibly the Eisenhower farm at Gettysburg, Pa. Little Susan's drawing appeared to be of the impressionist school—just blobs of color. Each won an appreciative chuckle from Granddad.

"You can imagine how much the President enjoyed these presents, and how they cheered him up," reported White House Press Secretary James C. Hagerty. The package also included an adventure novel and two decks of cards.

The bubble gum was put aside, but there was no doubt about the beneficial effect of the gifts.



THIS GIFT, WITH LOVE, FROM BARBARA ANNE . . .



—Harris & Ewing, United Press, Wide World

. . . AND ANOTHER DRAWING FROM DAVID

Sickness at your house?

TODAY, medical and nursing authorities are recommending home care for more and more patients . . . especially if someone in the family is skilled in home nursing.

There are several reasons why home nursing is of such great importance now. Nearly all of our country's hospitals are crowded. In fact, they care for more than 20 million patients a year. Naturally, doctors, nurses and their assistants are busier than ever before. So, whenever a patient can be adequately cared for at home, hospital beds and personnel are freed for more serious cases.

Moreover, the cost of a long hospital stay is a heavy financial burden to the average family . . . as well as a source of worry to the ill person. Lengthy hospitalization may also make the sick person depressed and even doubtful of his recovery. These attitudes can often be offset when the patient can safely and conveniently be cared for within the family circle. In fact, familiar home surroundings and family companionship can often help to hasten recovery.

Fortunately, in such circumstances, home nursing can usually be performed adequately by a family member under the direction of the doctor. To give the best possible help to an ill person, however, the home nurse must know how to follow the doctor's specific instructions, and be able to care for both the physical and emotional needs of the patient. In addition, the home nurse should be prepared to make some simple but essential observations which help the doctor determine the patient's progress.

Suppose you had to give home nursing care to someone in your family. Would you know how to do any of the following:

1. Could you carry out a doctor's orders to observe and record a patient's breathing, or to take his pulse?
2. Help a sick person overcome fears and anxieties?
3. Persuade a child to take medicine?
4. Help a bed patient maintain comfortable posture?

Since illness may occur unexpectedly at any time in any family, someone in *every* household should be a qualified home nurse.

You can learn more about home nursing skills in free courses given in most communities by the American Red Cross. If you cannot enroll in one of these courses, you can learn many essentials of home nursing with the help of Metropolitan's 32-page, illustrated booklet called *Sickness At Your House?* Just fill out the coupon below to receive a free copy. It explains how you can do many things—expertly and gently—that are conducive to a sick person's comfort, contentment and recovery.

COPYRIGHT 1955—METROPOLITAN LIFE INSURANCE COMPANY

Metropolitan Life Insurance Company

(A MUTUAL COMPANY)

1 MADISON AVE., NEW YORK 10, N. Y.

Metropolitan Life Insurance Co.
1 Madison Ave., New York 10, N. Y.

Please send me a copy of your booklet, *Sickness At Your House?* 1155-K.

Name_____

Street_____

City_____ **State**_____

able financial sacrifice. But, says **Maurice H. Stans,** new Deputy Postmaster General, it's a matter of practicing what he preached.

As No. 2 man in the Post Office Department, Mr. Stans will have a big share in running what has been called the world's largest business—especially during next year's presidential campaign. That is when his boss, Postmaster General Arthur E. Summerfield, a former Chairman of the Republican National Committee, can be expected to spend a good deal of time politicking for the Republican candidates.

The Deputy Postmaster General, 47, gave up his position as executive partner in Alexander Grant & Company, a nation-wide accounting firm, to take the Government post. He also resigned directorships of half a dozen corporations. His Post Office salary is $17,500—less than 20 per cent of his former income.

Mr. Stans, a former president of the American Institute of Accountants, says he has no regrets; that he had often urged accountants around the country to enter federal service if they were needed. "When Postmaster General Summerfield asked me to be his deputy," he adds, "I felt dutybound to accept it."

› **A POLICY PLANNER** who is juggling scores of ideas for developing contacts between West and East without lowering America's guard against Communism is **William H. Jackson.** The special assistant to Secretary of State John Foster Dulles has the task of finding answers to the legal, financial and philosophical problems involved.

A New York investment banker with a wartime background of intelligence work, Mr. Jackson is filling his second big assignment in the Eisenhower Administration. A little less than three years ago he headed a committee that drafted a psychological-warfare policy for use in the "cold war" against Russia. Now he has the job—born at the Geneva Conference—of "eliminating barriers which interfere with free communications and peaceful trade between people."

One of Mr. Jackson's headaches is shortage of time. He must have his report in the hands of the Western foreign ministers before their meeting with the Russians at Geneva late this month.

Mr. Jackson, 54, is a graduate of Princeton University and Harvard Law School. During World War II he was deputy chief of intelligence on the staff of Gen. Omar N. Bradley. He later served briefly as Deputy Director of the Central Intelligence Agency. His home is in Princeton, N. J.

PROTOCOL PROBLEM

—European

MR. ALI AND WIFE NO. 2

› **PAKISTAN'S AMBASSADOR** to the U. S. has solved the dilemma of what to do about his two wives while in this country, where one wife is the rule.

Mohammed Ali has explained that Mrs. Ali No. 2, his 30-year-old former social secretary, will be his official hostess in Washington. Mrs. Ali No. 1, who is 36 and mother of the Ambassador's two sons—ages 17 and 15—will make a home for them near a university—preferably Harvard, Princeton or Yale.

The Ambassador, as a Moslem, is permitted to have as many as four wives. He will be 46 next week, recently lost his job as Pakistan's Prime Minister.

—United Press

MR. ALI AND WIFE NO. 1

› **LEWIS L. STRAUSS** believes that one "big idea" is all that U. S. scientists need now to corral the energy of the hydrogen bomb for peaceful purposes. The Chairman of the Atomic Energy Commission accepts 20 years as a "fair guess" on the time needed to harness successfully the bomb's awesome power, says he will not be surprised if the goal is achieved sooner, or if it takes longer.

It was a "big idea" by Dr. Edward Teller, Hungarian-born physicist at the University of California, that led to the development of the H-bomb. Dr. Teller is credited with providing proof that large quantities of a rare and costly material, tritium, were not necessary to produce the bomb. Thereafter, production was greatly speeded.

The work of taming the H-bomb is being carried out under a research program known as "Project Sherwood," principally at Princeton University, in New Jersey, and at the AEC laboratories at Los Alamos, N. Mex., and Livermore, Calif.

Mr. Strauss has hopes that the sea will provide the basic source of fuel for controlled thermonuclear reactions—the kind that set off the H-bomb. He explains that the sea is rich in deuterium, a heavy form of hydrogen, which AEC scientists hope will prove to be the workable fuel they need.

› **SENATOR THEODORE F. GREEN** has passed another milestone on his way to becoming the oldest Senator on record. The Rhode Island Democrat celebrated his 88th birthday last week in Bangkok, Thailand, while on a 20,000-mile tour of Japan, Southeast Asia and areas of Western Europe.

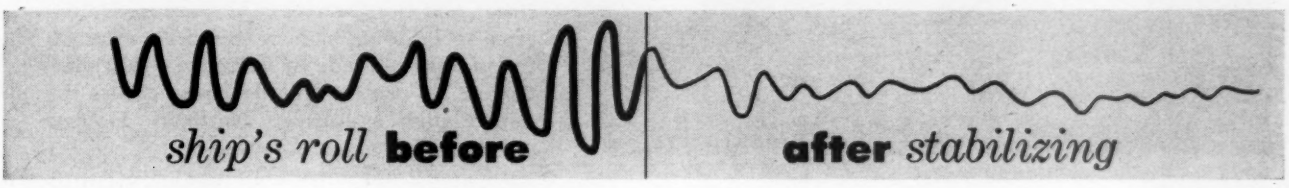
If he completes his fourth term in 1960, Senator Green will be 93. He has less than a year to go to surpass the mark for longevity by an active Senator, made by Justin Morrill, of Vermont. Senator Morrill was 88 years, 8 months, 14 days old when he died in 1898.

A bachelor, the Rhode Island legislator has been a lawyer, financier, industrialist. He is an expert linguist, a collector of Chinese art, a tireless world traveler. Away from Washington, he lives in a 150-year-old home in Providence that has been in his family for five generations.

In the capital, the Senator walks two and a half miles from home to office every day, swims once or twice a week, plays tennis. He's a popular guest on radio and TV panel programs, claims he has been on most of them—"except the Quiz Kids." He likes parties.

After his re-election last year, Senator Green told his constituents he might run for a fifth, and possibly a sixth, term.

How to make a ship behave



Devices are available which tend to keep ocean-going liners from rolling with the motion of the sea—giant fins which automatically move to steady a ship against "rock and roll"—a concept which spells *comfort* for passengers, *competitive advantages* for shipowners, and *dynamic problems* for engineers.

But today such problems concerning the design of complicated equipment like hydrofoil fins and their controls for ship stabilization can be handled easily with GEDA—versatile electronic analog computing equipment built by Goodyear Aircraft Corporation.

This new engineering tool is accomplishing what is akin to a revolution. It is able to solve numerous industrial control and design problems in a fraction of the time and man-hours heretofore required—to probe new avenues of approach to problems with an alacrity which now makes such exploration feasible and profitable.

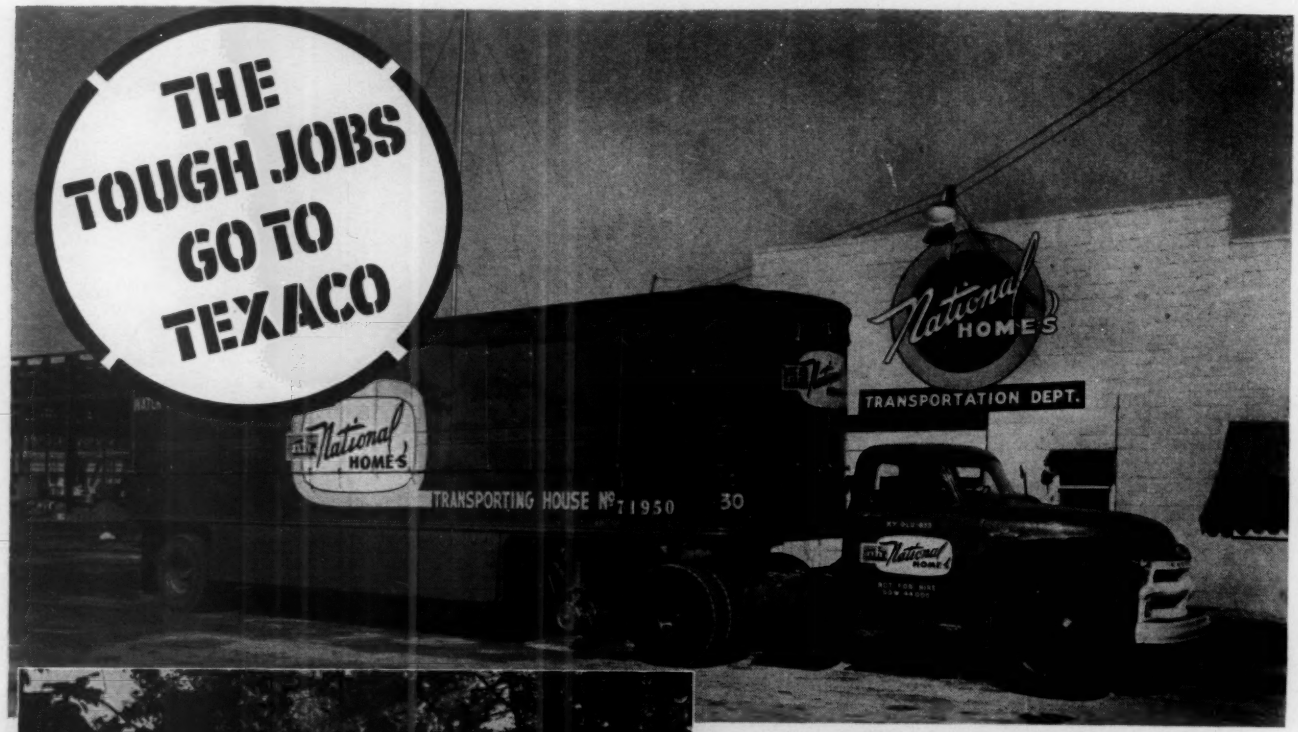
Big advantage of GEDA (a unit which is no larger than an ordinary refrigerator) is the fact that engineers need learn no specialized mathematics in order to enjoy its spectacular benefits. GEDA delivers answers in wave-chart form and voltage readings—forms with which engineers are accustomed to working.

Versatile and dependable, GEDA can cope with and cull the bugs from searching problems facing a host of industries. How about yours? Why not get the full facts on this advanced design computing equipment? Write: Goodyear Aircraft Corporation, Dept. 931CJ, Akron 15, Ohio.

GEDA *ANALOG COMPUTERS—best way to give a hunch a chance!*

GOODYEAR AIRCRAFT

GEDA—T. M. Goodyear Aircraft Corporation, Akron 15, Ohio



A COMPLETE HOME every 12 minutes! National Homes Corporation, with plants at Lafayette, Indiana, and Horseheads, New York, produces over 47% of all new prefabricated houses built in the U.S., sells through 551 dealers in 41 states and the District of Columbia. Deliveries to building sites within 500 miles of the plants are made by a fleet of 240 trailer trucks. To protect this fleet and assure its dependable operation, National Homes relies on Texaco lubrication.

★ ★ ★

NATIONAL HOMES CORPORATION is just one of the many well-known organizations which have achieved top results with Texaco. There are three good reasons for this wide acceptance: *field-proven* Texaco Lubricants, developed with the aid of the finest research facilities available . . . *field-experienced* Texaco Lubrication Engineers to advise on their use . . . and *fast, efficient service* from over 2,000 Texaco Distributing Plants in all 48 States. This combination can help bring production *up* . . . and costs *down* . . . in every major field of industry and transportation.

One agreement of sale supplies all your plants wherever located. For details, call the Texaco Distributing Plant nearest you, or write The Texas Company, 135 East 42nd Street, New York 17, N. Y.

TEXACO

TEXACO REG. T.M.

INDUSTRIAL LUBRICANTS

WHAT'S NEXT IN STOCK MARKET

After a Shock, Pattern Shows Anything Can Happen

The drop in stock prices after Mr. Eisenhower's heart attack has pointed up some important lessons about the market:

- **Prices can go down as well as up.**
- **The market, even a bull market, always is vulnerable to sudden shock.**
- **Despite the capital-gains tax, many investors will take their profits and run for cover when the unexpected happens.**

Note though that, after the first shock of bad news, prices usually recover at least part way. That happened this time.

Even so, the decline has been an eye opener for many. Here is what it all means.

NEW YORK

A good many popular ideas about how to get rich quick in the stock market are changing as a result of events of recent days.

After two years of steadily rising prices, many people began to feel that the only way the price of stocks could go was up. Then, suddenly, prices cracked. Some very handsome "paper profits" that had given many investors a feeling of prosperity just simply faded.

This experience tended to explode a number of theories. It demonstrated that stock prices can go down as well as up. The widely held idea that investors were reluctant to sell because the capital-gains tax would take as much as 25 per cent of their profit vanished at the first test. Another theory that went out the window was that there would never again be any sudden dumping of stocks because stocks now are owned in quantity by investment trusts, pension funds and other "strong" holders.

When the shock came, a good many investors simply tried to grab their profits and run to cover.

The result was a market break comparable to the sharpest breaks in stock-exchange history. This break, like others of the same type, was followed by a degree of recovery.

What actually took place in the stock market is what is called, technically, an "inside break," leading to a "fill in" recovery. The heart attack suffered by President Eisenhower—a piece of disturbing news—hit the market at a time when it had been pushing up, almost without interruption, for two years. The market was in a condition that is described as "overbought."

Investors were unprepared for bad news. They had been buying stocks happily with the idea that everything would keep going straight up. The sudden and unexpected bad news prompted many of them to sell. Selling, naturally, brought lower prices. These lower prices, in turn, touched off "stop loss" orders—orders from investors to sell whenever prices sank to some specified point below the market price. This action sent prices down further.

The market break, in turn, carried prices down more than any news developments seemed to justify. At the lower level of prices, buyers again were attracted and stocks recovered part of the loss.

What lies ahead now is the question. The answer probably is to be found in the course of business activity and the attitude of investors and businessmen toward an uncertain political outlook. The market had been strongly influenced by widespread confidence that the business boom would not be seriously interrupted and that Mr. Eisenhower, with his policies that appealed to the business community, would stay in office. Now investors are being forced to reappraise the outlook.

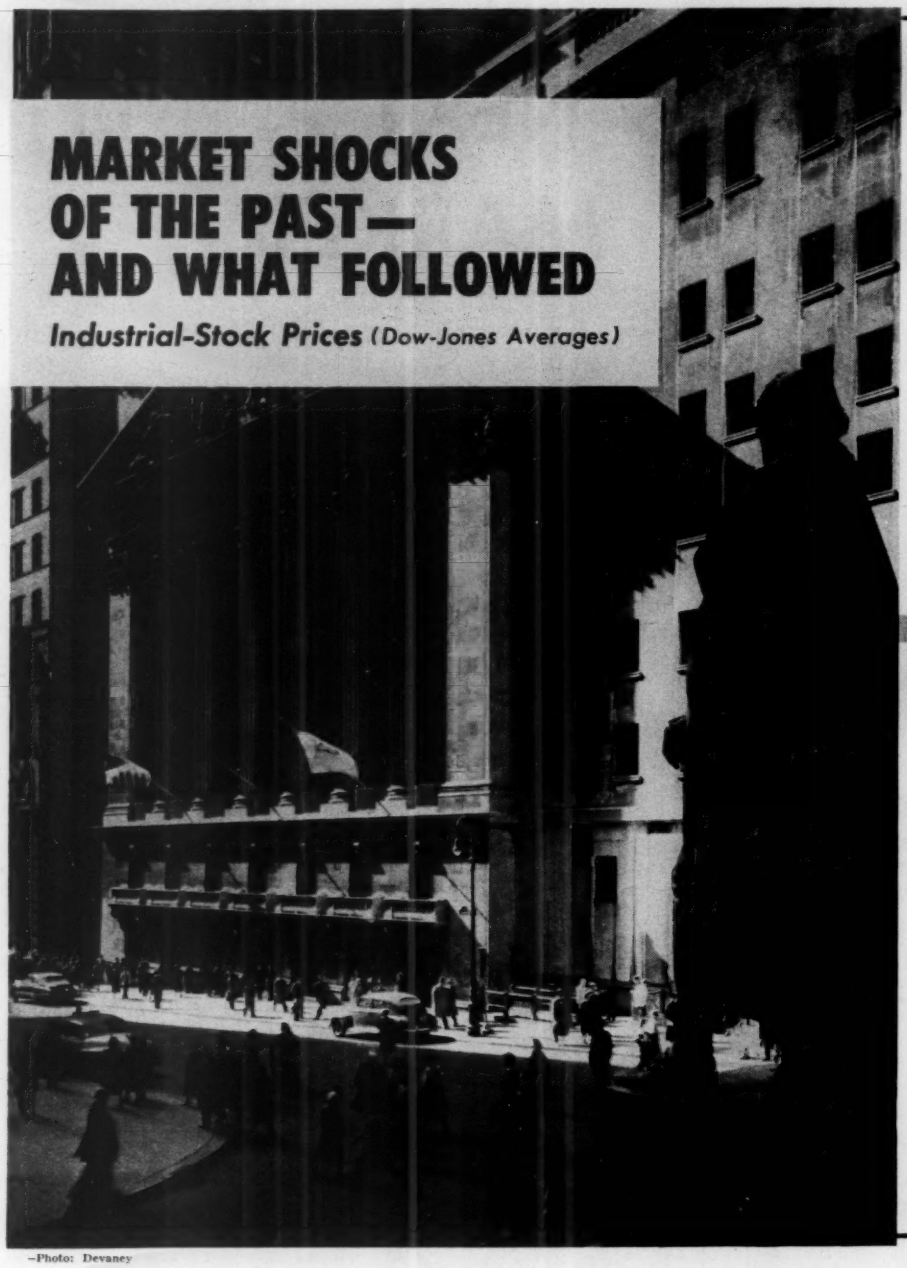
On the favorable side is the prospect that business activity will

—Burck in the Chicago Sun-Times

"NOTHING'S WRONG WITH YOUR TICKER"
Political uncertainty meant market jitters

MARKET SHOCKS OF THE PAST— AND WHAT FOLLOWED

Industrial-Stock Prices *(Dow-Jones Averages)*



—Photo: Devaney

San Francisco Earthquake

APRIL 18, 1906

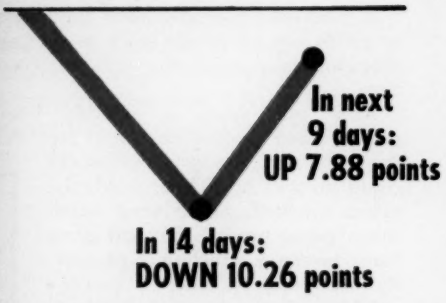
Stock prices—

In months that followed: The market went DOWN

Attack on Pearl Harbor

DEC. 7, 1941

Stock prices—



In months that followed: The market went DOWN

continue to be high through this year and into 1956. Construction contracts and new orders to factories still to be filled, plus a high volume of consumer spending, assure a favorable near-term outlook. Earnings and dividends of corporations this year are likely to be the highest on record. That prospect is regarded by many as one that favors a recovery in stock prices.

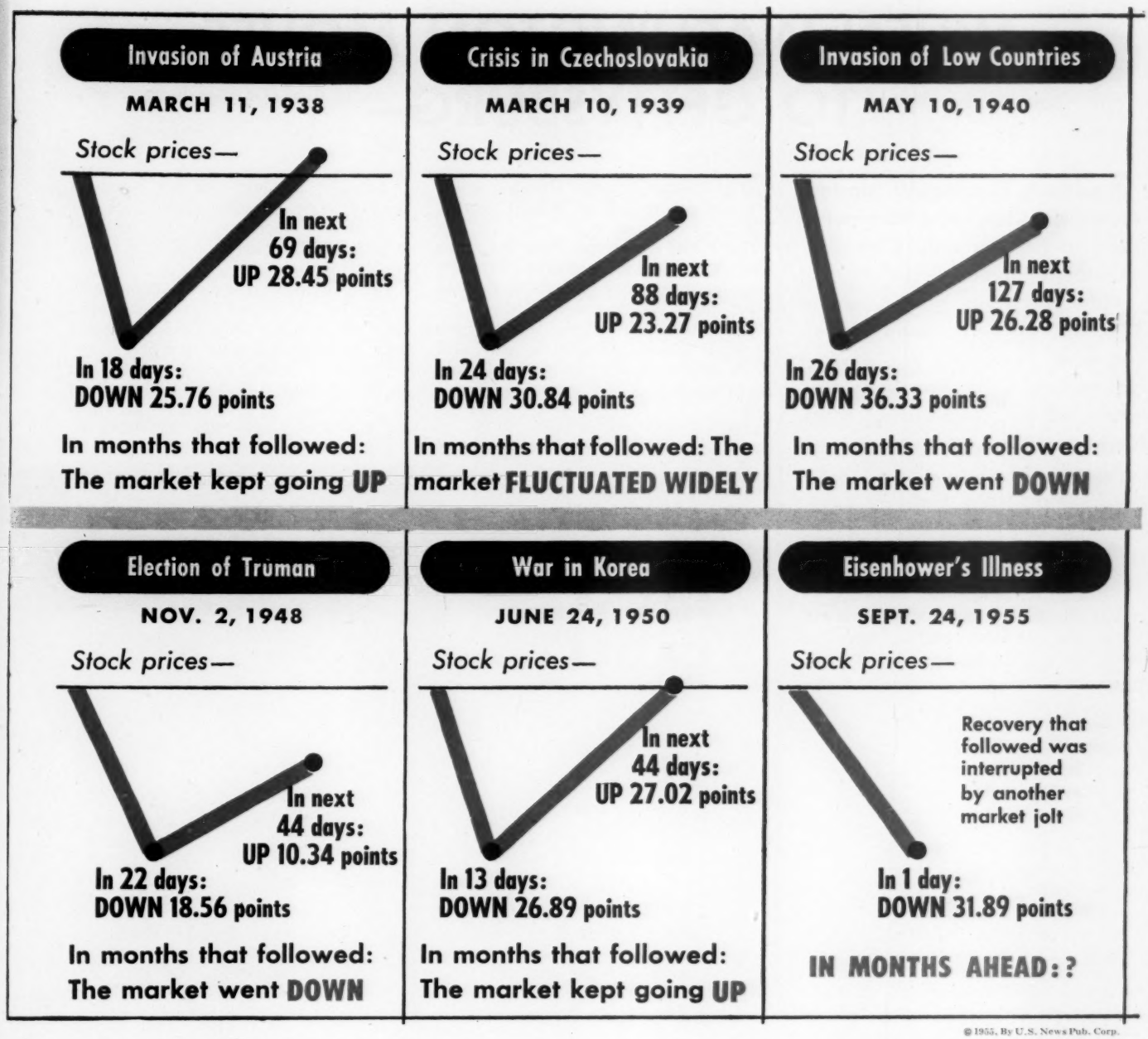
On the unfavorable side, political uncertainty stands out. The outcome of the 1956 election now is in doubt. And businessmen no longer feel sure that another Administration will adopt policies on taxes, labor relations, profits and investment that will encourage business expansion.

How investors will value stocks in the future is another question. When measured by bull markets of the past, prices at the recent bull-market peak appeared to be rather conservative. Before the market break, prices on the Dow-Jones averages for industrial stocks stood at 13.6 times earnings. Prices soared higher than that, in relation to earnings, in 1929, 1937 and 1946.

The dividend yield at the peak was 3.91 per cent, again higher than in 1929, 1937 and 1946. The spread between the yields from dividends and from bonds also was wider at the recent peak than in other boom years.

However, the fact remains that stock prices had been viewed as high before the news of Mr. Eisenhower's illness caused a break. The Dow-Jones averages had climbed 326 points from June, 1949, to September, 1955, and dividend yields had dropped from 6.74 to 3.91 per cent.

A Senate committee conducted an investigation of the stock market early this year, and Federal Reserve authorities had twice increased the margin that investors were required to put up when they bought stocks with borrowed money.


Invasion of Austria
MARCH 11, 1938
Stock prices—
In next 69 days: UP 28.45 points
In 18 days: DOWN 25.76 points
In months that followed: The market kept going UP
Crisis in Czechoslovakia
MARCH 10, 1939
Stock prices—
In next 88 days: UP 23.27 points
In 24 days: DOWN 30.84 points
In months that followed: The market FLUCTUATED WIDELY
Invasion of Low Countries
MAY 10, 1940
Stock prices—
In next 127 days: UP 26.28 points
In 26 days: DOWN 36.33 points
In months that followed: The market went DOWN
Election of Truman
NOV. 2, 1948
Stock prices—
In next 44 days: UP 10.34 points
In 22 days: DOWN 18.56 points
In months that followed: The market went DOWN
War in Korea
JUNE 24, 1950
Stock prices—
In next 44 days: UP 27.02 points
In 13 days: DOWN 26.89 points
In months that followed: The market kept going UP
Eisenhower's Illness
SEPT. 24, 1955
Stock prices—
Recovery that followed was interrupted by another market jolt
In 1 day: DOWN 31.89 points
IN MONTHS AHEAD: ?

© 1955, By U.S. News Pub. Corp.

Coupled with these actions were steps by Government officials to make credit a bit more scarce and to discourage free and easy lending on home mortgages and installment purchases. These actions were designed to slow the rise in business activity and may yet bring about some decline in 1956. Brakes, in other words, were being applied to the boom before investor confidence was shaken by the President's heart attack.

Some recovery in prices may lie ahead, however, based on past experience with upsets in boom markets. The chart above shows what happened to stock prices when unexpected events occurred in the past. On each occasion, prices tumbled rather sharply. Then, after a brief period, most or all of the sharp decline was recovered.

But there the historical pattern ends. Sometimes, after a recovery, the market trend continued to rise, as after the Korean war. But, almost as often, the recovery later was replaced by a major downtrend in prices, as after the unexpected re-election of President Truman in 1948.

One lesson the market break has taught, though, is that the stock exchange still is an extremely sensitive institution. Since the drastic decline in 1929, there has been supervision by the Securities and Exchange Commission, controls over speculation, and long-term investments by pension funds, trusts and endowments. These were all regarded as elements of stability in the market that had not been there before. But it is clear now that prices still will drop sharply whenever a substantial number of people decide to unload.

This demonstration suggests that an element of caution may now enter the market. In recent days, in fact, trading has been relatively light. There is no sign yet of what the long-term trend in stock prices is to be.

WHEN WASHINGTON MOVES TO GETTYSBURG—

President Eisenhower started buying his Gettysburg farm with plans at first for only a modest retirement haven.

Now this farm, grown into a $300,000 estate, is about to become a temporary "White House." Here the President will work while convalescing from his heart attack.

This is the story of the President's farm—and how it grew.

GETTYSBURG, Pa.

This little Pennsylvania town of 7,200, site of a historic battle, soon will be the nerve center of the nation, if present plans are carried through. Here, on a 496-acre farm lying three miles southwest of Gettysburg, President Eisenhower is expected to set up his next "White House" after leaving Denver.

Ike long had dreamed of coming to his Gettysburg farm to live a life of retirement. Until his heart attack on September 24, pressures were building to keep him from realizing that dream for at least five more years—until after a second term as President.

But now, as a result of his illness, plans are developing for the President to take up temporary residence here by the end of this month, or early in November, for a period of convalescence.

Thus, the "little farm" that Mr. Eisenhower once had in mind as a haven for his declining years has suddenly become something much more—and far different—than that. It is now to be the actual, though unofficial, seat of Government, at least for a short time.

Miniature "White House." Wherever the President sets up his office, some of the Government's most vital machinery accompanies him. Top White House aides, including The Assistant to the President, Sherman Adams; Press Secretary James C. Hagerty and Appointment Secretary Bernard M. Shanley, will have to take up quarters here. There will be office workers, Secret Service agents to guard the President, and Army Signal Corps technicians to operate an elaborate communications system. Doctors, newsmen and others will be housed nearby.

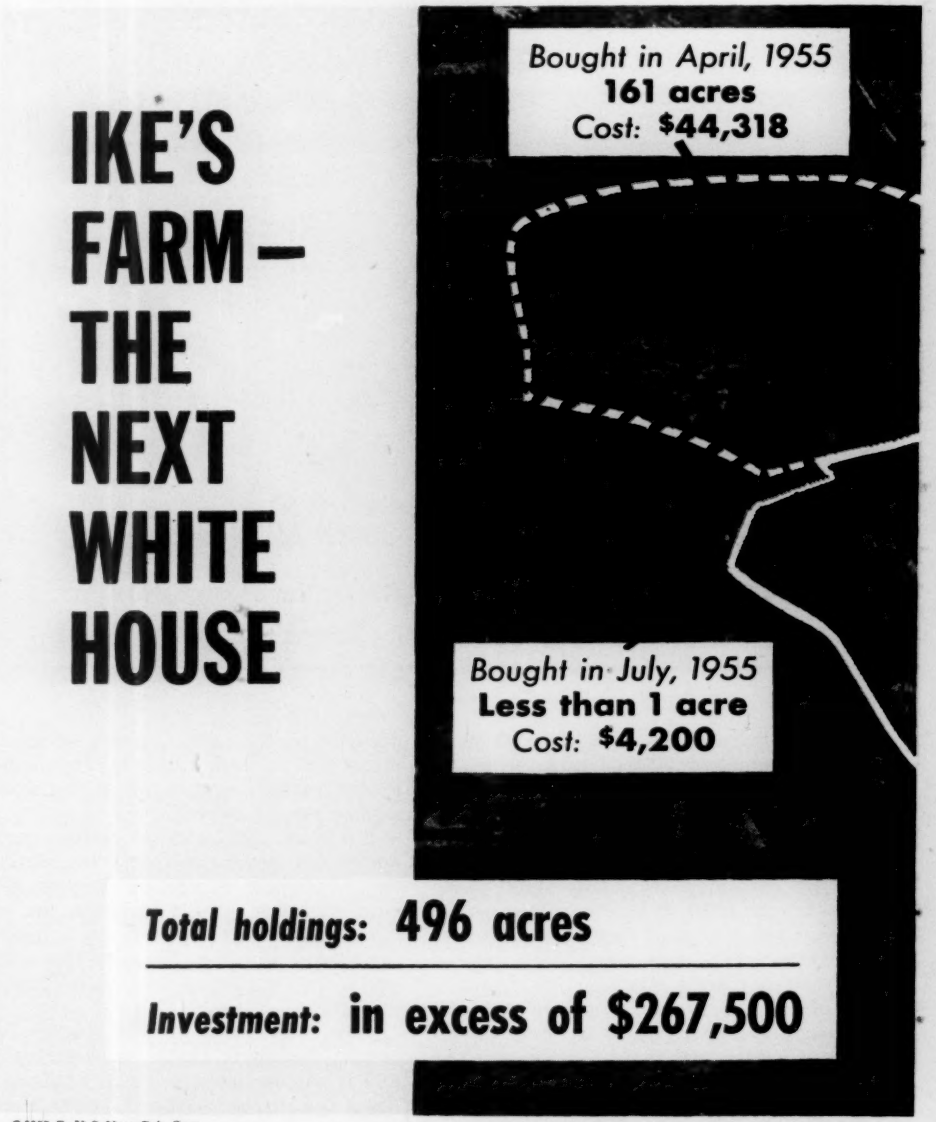
If present plans work out, this big shift of White House operations to Gettysburg can be made smoothly. Already much has been done to link the farm to Washington, 78 miles away.

Costly establishment. That a farm can be so quickly adapted to serve as a White House shows how far it already has grown beyond the modest retirement nook that Mr. Eisenhower originally intended.

Actually, the President has poured a small fortune into his farm. Exclusive of stock and machinery, he has invested at least $267,500 here, possibly in excess of $300,000.

No such investment was contemplated, originally. The project began on a modest scale six years ago when the Eisenhowers were looking for a place to retire.

George E. Allen, a close friend, had an 80-acre farm outside Gettysburg, and he persuaded Ike to search in this vicinity. Mrs. Eisenhower, who was doing the



© 1955, By U. S. News Pub. Corp.

house hunting, needed just one look at this farm, and its expansive view of South Mountain and the rich Adams County countryside. She bought a 189-acre tract before her husband had even seen it.

The original price was only $40,000 —$24,000 for the land and $16,000 for stock and machinery. But that proved to be just a start.

The century-old house that stood on the farm was remodeled so extensively that it was virtually rebuilt. The sagging frame wings which flanked the original house were ripped off. In their place, large new wings were added. The original nine rooms were expanded to 14. Only the brick center section was preserved.

Expensive new equipment was installed—a central air-conditioning plant, stoves, refrigerators, other gadgets.

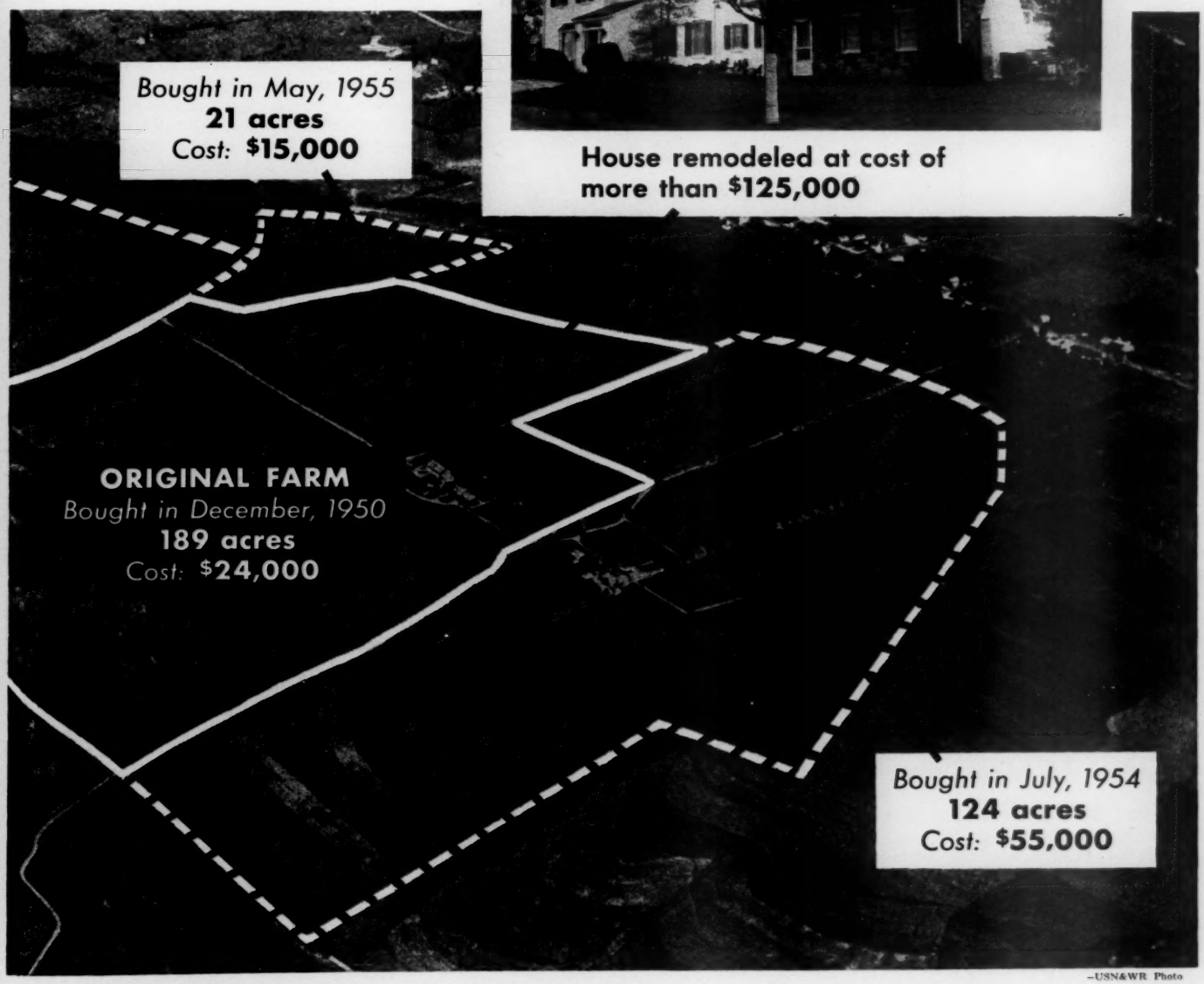
The Eisenhowers undertook this remodeling in the face of warning from friends that it would prove cheaper in the long run to tear the house down and build a new home from scratch.

Hand-hewn beams. But Mrs. Eisenhower wanted to retain the quaint "flavor" of the old house. And Ike himself was anxious to preserve its oversize fireplace, complete with Dutch oven, and to use the massive hand-hewn beams from the old cellar for the ceiling of his new study.

Result of all the remodeling—as is often the case—was that the house cost a good deal more than expected. Friends say the total reached $125,000 to $150,000.

Cost of the farm did not end with the house. To insure privacy, other farms were added to the original acreage. The second farm, a 124-acre tract bordering on the south, was bought in July, 1954, for $55,000. In April, 1955, a 161-acre farm on the north was added for $44,318. The following month, Mr. Eisenhower bought 21 more acres, at a cost of $15,-

House remodeled at cost of more than $125,000



—USN&WR Photo

[continued]

GETTYSBURG: NEW "WASHINGTON"

000, to round out his northeast corner. And, last July, he added his final unit of less than an acre for $4,200.

All this has turned the Gettysburg farm into an expensive proposition. Land costs alone have risen to $142,518, an average of nearly $290 an acre. Include the expense of remodeling the house, and the cost per acre reaches nearly $540.

Paying farm? Now, with more than $267,500 sunk in the farm, the President faces another question to which time alone will provide the answer: Can he make it pay? To work such a farm takes real money.

Best indications are that the President has spent on the farm a great part of the $476,250 he realized on his book, "Crusade in Europe." Mr. Eisenhower relinquished his claim to a $20,000-a-year pension as a five-star General when he resigned to run for office. Beyond his presidential salary, outside investments reportedly bring him $30,000 a year at most.

Actual operation of the farm has been entrusted to Mr. Allen, under lease. General supervisor of the farming operation is retired Brig. Gen. Arthur S. Nevins, of Gettysburg, a veteran of the President's planning staff in World War II.

Agricultural experts say the farm is well suited for the farming program planned—Aberdeen Angus cattle, with hogs as a cash crop while the cattle herd is being built up, Hampshire sheep, corn, small grains and pasture. But whether it will pay—considering the investment—is another matter.

A place to rest. For the present, however, Mr. Eisenhower is not to be burdened with the cares, financial and otherwise, of a farmer. When Mr. Eisenhower comes here from Denver, the accent will be on rest. Presidential burdens will be kept very light at the start, increased only gradually as his strength permits.

For the President's convenience, a direct telephone line to the White House in Washington has been installed, and top-secret measures have been taken to prevent it from being tapped.

Top officials flying from Washington to consult with the President can make the trip in about 45 minutes. By car, it is a two-hour drive. Mr. Shanley will screen carefully all requests for conferences with the President. Only necessary talks will be permitted, and they will have to be brief.

It is hoped that the cares of office will leave the President time for restful quiet. The stillness here is broken only by the creaking of an old windmill, which Ike says reminds him of his boyhood.

If doctors insist, Mr. Eisenhower can live and work entirely on the ground floor of the house, where he has a study, a den, his office and a bedroom.

For recreation, the President will have a number of choices, depending on how much activity doctors allow him. The house has a television set and a substantial library. If he is permitted to climb stairs, he can go to his well-lighted attic studio to paint.

—USN&WR Photo

GETTYSBURG, PA.
The neighbors will not intrude

Outside, 400 feet from the house, is a newly dug pond, stocked with bass and bluegill. Here Mr. Eisenhower can indulge his hobby of fishing, if doctors permit. There is also a fancy grill on which he can try his hand at another hobby—outdoor cooking.

"No trespassing." As for sightseers, they're in for a rough time if they attempt to intrude upon the presidential rest and privacy. Heavy iron chains with "Private Road" signs block the entrances to the farm, and uniformed White House police, stationed in sentry boxes, will drive away trespassers. Secret Service agents, housed near the main residence, will be on 24-hour duty. Girdling the entire farm is a new photo-electric alarm system. Any intrusion breaks its circuit and brings agents on the double.

Even a battlefield observation tower a mile and a half away is expected to be closed down, as it has been on past occasions, because it affords a view of the Eisenhower house. State police probably will shut off the country road which winds around the outskirts of the Eisenhower farm.

In the tree-shaded college and sightseeing town of Gettysburg, the permanent residents are determined to respect the President's desire for privacy. Merchants say that business of all kinds has increased since the President selected this area for his home. Tourist homes and motels are booming, and motel sites are priced high. "Ike and Mamie" souvenirs are sold in almost every gift shop. But businessmen insist that no concerted attempt will be made to use the famous couple as a tourist attraction.

It is in this setting that President Eisenhower will pass an important stage of his convalescence. If he improves here as hoped, doctors say they may, after some weeks, move him to Augusta, Ga., a favorite retreat. There he may be permitted to play a little golf. When winter comes, the President may spend some time in Palm Springs, Calif., or some other resort farther away from Washington's cares and the cold of the Northeast.

But all this is indefinite. The first stop for the President, when he is able to leave Denver, will be this farm—Mr. Eisenhower's private $267,500 home that was planned for retirement and now is being turned into a "little White House."

For an inside view of how President Eisenhower is spending his convalescence at Denver, see page 32. For the story of the men who are running the Government in the President's absence, see page 56.

WHY JOBS ARE INCREASING

Industry Booms . . . Government Grows . . . Farmers Hiring

Behind the records now being set in employment in this country—

• Factories, running nearly full tilt, are generating 1 million more jobs than in '54. Biggest increase: in autos, other "durables."

• Farms, even with incomes off, still are adding half a million jobs this year.

• Trade is expanding, at both retail and wholesale, requiring bigger staffs.

• Service industries, utilities, finance, local governments are taking on new people.

Only in construction and mining, in fact, is employment off—in both cases, despite increases in actual production this year.

At this time, the number of people with jobs is running far above the number a year ago, setting new records for this point in the year.

Jobholders reached a new high of 65.5 million in August. As working youths returned to school in September, the total employed was reduced seasonally, but now stands 2.5 million higher than in September, 1954.

If additional workers were available, the total would be higher. In area after area, there are more job openings than seekers for jobs.

Pay, too, is higher than ever before.

More workers earning more money for each hour of work accounts for the record level of personal income. High and rising personal income underlies the demand for new cars, new houses, new appliances that is running higher than anyone expected only a few months ago.

So far as any surface signs go, the average of job openings will be greater in 1956 than this year.

A rise in job totals is needed to keep up with the year-by-year increase in the number of those wanting jobs. That increase averages about 600,000 a year. In the 12-month period just ended, it was much greater than that, as high pay attracted more women workers and young people into the labor force.

In the face of rising job totals, 2.2 million individuals still were reported to be unemployed. These, largely, are unemployable persons and those changing from one job to another and temporarily out of work.

The big increase in jobs has occurred in the face of rising efficiency in industry.

Investment of billions of dollars in new machinery, in new plants, in automation did not deprive people of work. Job totals, instead, have increased sharply in a period when record amounts of money were flowing into machines designed to cut down on labor costs.

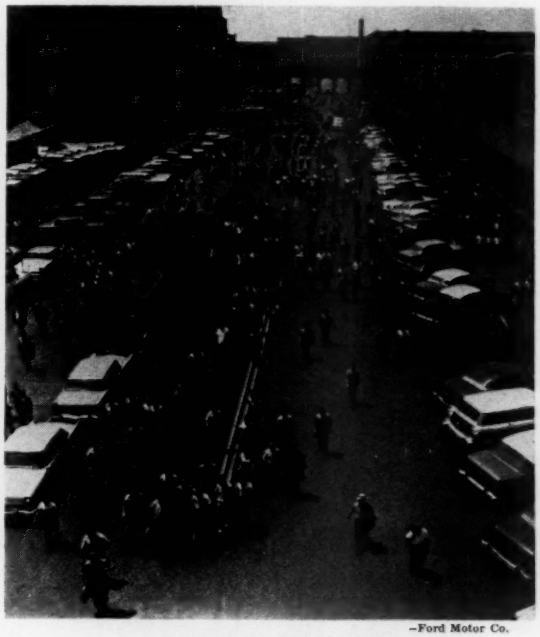
The number of jobs increased because of rising demand for goods and services on the part of people with money to spend.

Demand, in part, reflected borrowing by individuals and industry against future income in order to pay for goods wanted now. In part, as well, it reflected the larger amount of money in the pay envelopes.

This rise in income, in demand for goods and in jobs, can go on until some part of the economic machinery gets badly out of balance, causing the machinery to falter or to slow down for repairs and adjustment. At present, there is some concern about two things: One is the lag in farm income. The other is the great increase in private borrowing to pay for cars and houses, accompanied by an increase in inventories through use of business credit.

If anything should happen to check this high and rising demand, then the present growth of jobs could reverse itself.

For at least six months, however, if the Government's appraisers are right, the trend in jobs and in activity will be upward.



—Ford Motor Co.

JOBS ARE BOOMING
. . . and pay is higher, too

In almost all fields of employment, job totals are higher.

Farmers, although enjoying less income, gave jobs to 608,000 more persons in August of this year than in August of last year. This was the first August-to-August gain in six years. On farms, working, were 7.5 million people.

In jobs outside agriculture were 58 million people.

The biggest total of workers in any broad type of occupation was in manufacturing. In August, there were 16.8 million people at work making automobiles, TV sets, aircraft, clothing, shoes, processed foods—all of the goods produced by machines to fill the public's demands, plus the machinery and steel and aluminum used by the manufacturing industry.

Those working in manufacturing industries totaled 950,000 more than one year ago. Most of this increase was in the durable-goods industries.

The automobile industry alone

employed 180,000 more workers than a year ago, had a payroll of 925,000 for the job of turning out a record production estimated at close to 8 million cars in 1955. A small part of this increase in payroll is offset by a cut of 24,000 workers in the aircraft industry since last year, despite the continued boom in aircraft and the employment of 741,000 workers in that industry.

Steel, other major metal industries and machinery added more hundreds of thousands of men to their payrolls this year. Steel mills, for example, in August, employed 15 per cent more workers than they did a year ago. Workers in the machinery industry were up by 6 per cent, numbered 2,703,000 people.

All told, jobs in durable-goods industries were up 750,000 in a year.

Firms turning out processed foods, clothing, other nondurable goods accounted for a smaller increase in the number of employes. These industries employed 200,000 more workers than in a similar period last year, had a total payroll of 7.2 million people.

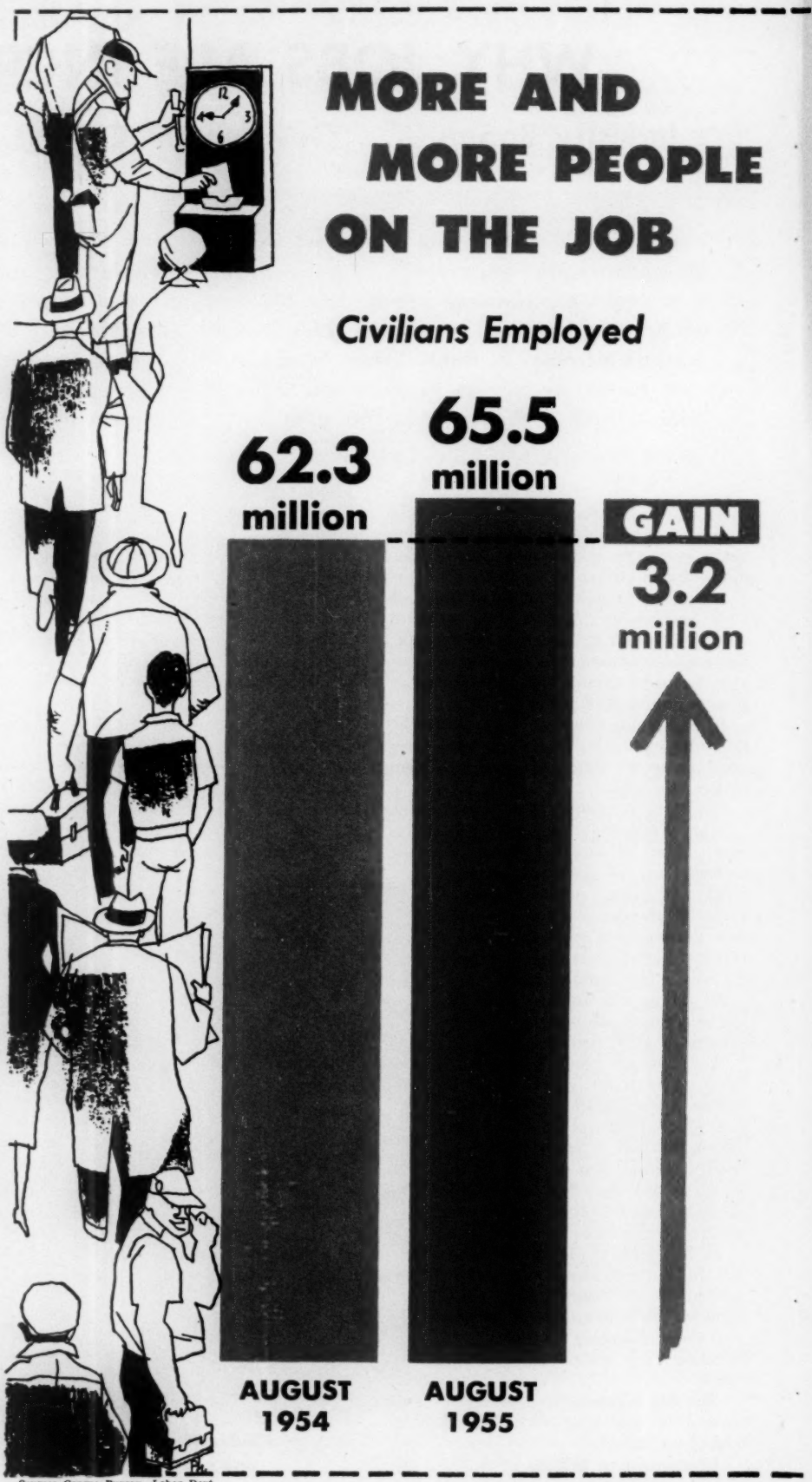
Nonmanufacturing industries, meanwhile, showed a wide range of employment changes over the last year—most of them up, a few down.

Stores employed 320,000 more people this August than last. The biggest payroll gains were made by food and liquor stores, with a 4.7 per cent increase, followed by auto and auto-accessory dealers, with 3.5 per cent more employes. All types of stores reported gains in August, however. Gains were slightly larger in retail stores than in wholesale establishments, and brought the total payroll of trade firms to 10.6 million people.

The construction industry, at the same time, increased its physical production by 2 per cent, but shaved its payroll slightly, getting along with 6,000 fewer workers in its labor force of 2.7 million men. Mining followed the same pattern. Mineral output has been running well ahead of 1954 all this year, but mining employment was down. One reason seems to be more mechanization in the bituminous-coal industry, which has reduced sharply labor requirements per ton.

Jobs have increased, to some extent, throughout the transportation and public-utility field. While all segments in this field show gains, telephone and telegraph industries have led in the number of new openings, with railroads, bus lines and airlines close behind. Other utilities have added workers, but their gains have been smaller.

Service industries, offering repair and maintenance as well as personal services, had been referred to in the past as the field for greatest future growth in employment. Actually, the increase in this field amounted to just 71,000 more work-



Source: Census Bureau, Labor Dept.

Where People Are Working

	August 1955	Change from year earlier
Manufacturing	16.8 million	UP 950,000
Trade	10.6 million	UP 320,000
Agriculture	7.5 million	UP 608,000
Service industries	5.8 million	UP 71,000
Construction	2.7 million	DOWN 6,000
Mining	.8 million	DOWN 10,000
Public utilities, transport	4.1 million	UP 104,000
Government	6.7 million	UP 155,000
Finance	2.2 million	UP 82,000
Self-employed, other	8.3 million	UP 937,000

© 1955, By U.S. News Pub. Corp.

ers than last year's level of 5.75 million, a smaller-than-average gain.

Even government jobs have been more plentiful. While Federal Government employment was up by just 1.6 per cent, with 34,000 more workers on the payroll, State and local governments added 121,000 employes, for a 2.7 per cent increase over the last year. There is, moreover, still a shortage of teachers.

In finance, insurance and real estate, finally, the number of jobs filled was up 3.8 per cent above last year, with 82,000 more employes on the rolls.

Earnings, at the same time, reached an all-time high. Factory pay, the key indicator here, rose to $77.11 a week, on the average, in August, the latest period for which figures are available. That is higher than the weekly average in any previous month, and is $6.05 above the average a year ago.

Pay raises differed widely, among industries, during the year.

A steelworker's gross pay for an average work week, for example, rose $14.25 over that for the same period last year. An average employe in the rubber industry gets $11.30 a week more, before deductions. In transportation, the increase is $10.19.

Workers in durable-goods industries—such as autos, steel, aircraft—have gotten the biggest raises, averaging $7.24 a week more than they earned a year ago. In nondurable-goods industries, the average weekly gain over the year was $3.15.

It is in the heavy durable-goods industries, where average pay is highest, that the most uncertainty about future employment lies. Here are, usually, the largest fluctuations in the number of jobs available, the industries most sensitive to change in public demand.

Unemployment now, however, is about as close to rock bottom as it can get under the American system of a freely mobile labor force. Of the 2.2 million people technically unemployed in August, fewer than 450,000 had been actually seeking work for 15 weeks or longer. If willing to move to a labor-scarcity area, many of these workers could find jobs.

Almost anyone who is able to work and wants a job, in other words, now is able to get one. This is true despite a seasonal shift in employment, as youths who held student jobs are going back to school. The early postwar dream of 60 million peacetime civilian jobs is being far surpassed, the number of jobs expanding steadily to set record highs while rates of pay keep on rising.

For an official size-up of U. S. prosperity, see text of an address by Arthur F. Burns, Chairman of the Council of Economic Advisers, page 48.

Here's Official Word on Polio

Of 7 Million Who Got Shots, 717 Were Stricken

Officials now are certain the Salk vaccine is beating polio.

Results, in six months, are even better than hoped for. Over the country, the statistics show, vaccinated children are fighting off the disease.

Best of all, cases of paralysis are fewer where shots have been given. And the Salk vaccine itself is proving to be safe.

Near the end of the 1955 polio season, the Government now comes up with this verdict: The Salk vaccine, definitely, is both effective and safe.

That is the official conclusion, based on a survey across the country. It is backed up by comparative figures on children who were vaccinated and those who were not.

Health authorities in Washington, going beyond the guarded wording of official reports, are saying privately:

- The effect of the vaccine has exceeded all expectations.
- Paralytic poliomyelitis at last may be on the way out.
- Parents will be well advised to let their children go ahead with the Salk shots.

Up to now, nearly 10 million children, aged 5 to 9, have received one or more shots of the Salk vaccine. What has happened to them? The statistical story, though far from complete, is bright.

Over all, the incidence of polio in the U. S., of both paralytic and nonparalytic types, has been running from 25 to 50 per cent lower among children who were vaccinated than among those who failed to get the shots. This trend is based on a study of 717 confirmed cases of polio out of 7 million children who got shots up to the end of last June.

The year, actually, has been a relatively mild one for polio, with 23,018 cases up to October 1, compared to 28,292 cases in the first nine months of 1954.

Less virulent. Of even more importance to parents, special studies reveal that, in most polio cases among vaccinated children, there was no paralysis.

In six areas, paralytic attacks have been about 75 per cent lower—in some cases 90 per cent lower—among children who got shots than among those who did not. In 29 States, surveys showed that paralysis was especially low among children 8 and 9 years old.

As for the question of safety of the Salk shots, officials have this to say: Since the Government set up rigid procedures for vaccine testing, after the deaths from apparently infective vaccine last spring, no cases of polio have been linked to faulty vaccine.

Thus, during the summer and early autumn, parents' minds have been increasingly set at ease. October, officials believe, will prove to be the biggest month for vaccinations since the full-scale program started on April 1.

Enough Salk vaccine is now being turned out so that the 6 million children 5 to 9 years old who have not yet gotten a shot can count on one, and probably two, by the end of the year.

Supplies of the vaccine released for use have climbed from 3.3 million cubic centimeters in July to nearly 6 million in September.

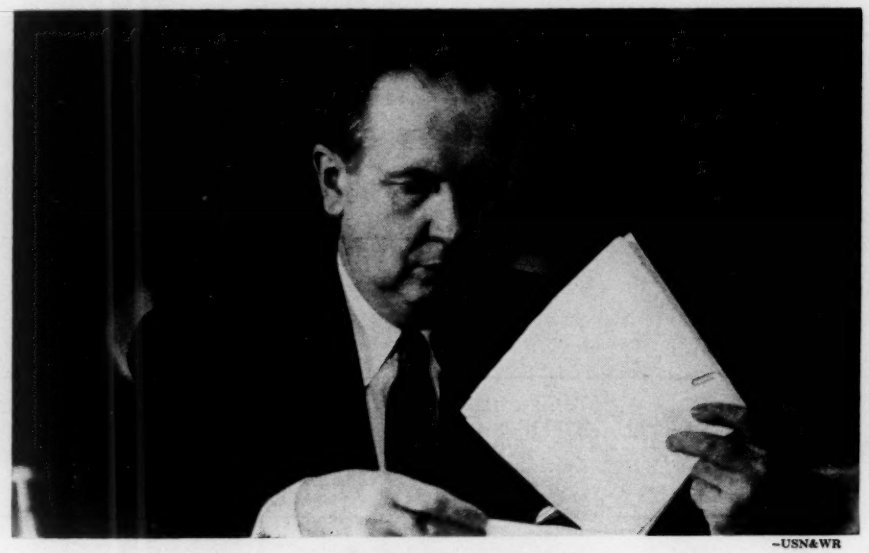
Ahead: better vaccine. Moreover, Dr. Jonas E. Salk, who developed the vaccine, is now planning tests in Pittsburgh schools with a view to improving his product.

By taking blood tests of children who have already been vaccinated, Dr. Salk hopes to evaluate the degree of resistance that has been built up.

Then Dr. Salk expects to test variations of his preparation that appear, from laboratory tests, to be somewhat more potent than the vaccine used up to now.

Scientists want a vaccine that not only will prevent paralysis 100 per cent, but that also will confer long-term immunity. The present Salk vaccine is believed by some experts to carry immunity for 30 months.

While this work for the future is going on, agreement is pretty general among experts that the vaccine now at hand is a good product and that it deserves to be used as fast as it becomes available.



—USN&WR

DR. LEONARD A. SCHEELE
"It is difficult not to be very optimistic"

Dr. Leonard A. Scheele, Surgeon General of the U. S. Public Health Service, puts it this way:

"It is difficult not to be very optimistic. . . . The reports are all the more encouraging because the vast majority of these children have had only one injection."

Growing confidence in the vaccine is shown not only in Washington, but in reports, both public and private, from State and local authorities, from doctors, schools and clinics all over the country.

The leading organization of U. S. children's doctors, the American Academy of

Pediatrics, has now approved resumption of vaccination, although in June it recommended discontinuance.

Even in the two epidemic areas of 1955, Wisconsin and Massachusetts, the comparative infrequency of paralytic polio among vaccinated children stands out. In Wisconsin, for example, three times as many nonvaccinated children of ages 6 and 7 contracted paralytic polio as among those who received the Salk shots.

From other States, widely separated, the results of surveys made since late summer have heartened the authorities:

- In Connecticut, out of 98 polio cases up to August 3, it was found that only 8 patients had received Salk vaccine. None of these involved paralysis.
- In Minnesota, up to early September, officials found only 17 polio victims out of 112,115 first and second-graders who had been given the shots. Only 2 of those stricken had developed paralysis. By contrast, there were 17 cases, 8 of them paralytic, among 33,259 nonvaccinated youngsters.
- In Oregon, through the summer, there were no paralytic cases at all among children who had received two injections. Out of 40,000 first and second-graders who got just a single shot, only 3 contracted polio.
- In up-State New York, during the late spring and early summer, the rate was 2.5 paralytic cases per 100,000 vaccinated children as against 6.8 among the nonvaccinated.

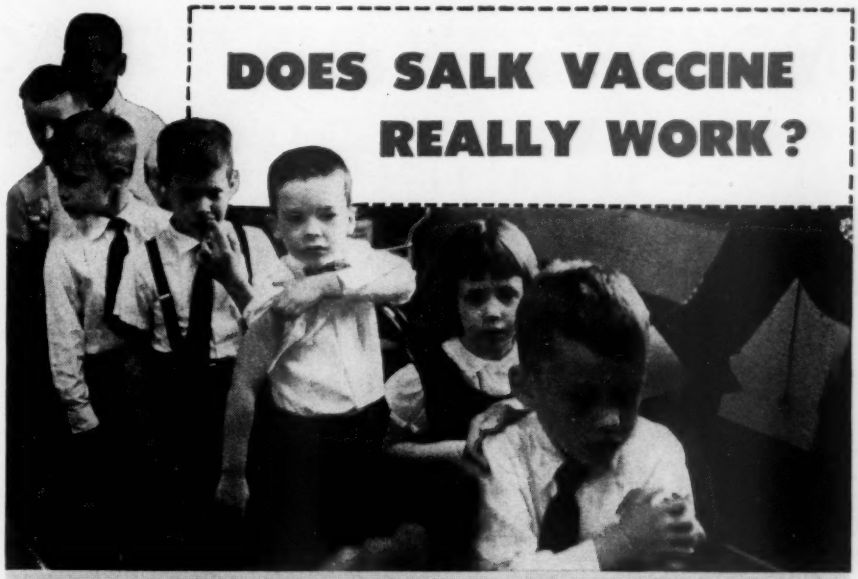
Federal health officials realize that the results of surveys so far are fragmentary and tentative, but at this point they see no reason to expect any major change in the favorable trend.

Who gets shots next? Now, in most States, Salk shots again are being given to U. S. children, at school and elsewhere. After the 5-to-9 priority age group is vaccinated, authorities must decide who is next in line.

Decision will be up to the National Advisory Committee on Poliomyelitis Vaccine, which reports to the U. S. Department of Health, Education and Welfare. The Committee will meet before the end of the year. It may decide to go ahead with 10 to 14-year-olds, or to make vaccine available to children from 1 to 5.

Ahead are other problems, including the one as to who will pay for future shots, and under what circumstances.

As of now, however, officials nearly everywhere are satisfied on the two vital points: The Salk vaccine is not only safe—but also effective. They are gaining confidence that, within the next few years, they will be able to say that polio, as a major menace, has been licked.



DOES SALK VACCINE REALLY WORK?

Government Survey Shows This

- ***Paralytic polio*** **is "strikingly" down among vaccinated children in areas reporting early.**

Rate of *paralytic polio,* in these areas, averages 75 per cent lower for those vaccinated than for those not vaccinated. Difference rises to 90 per cent in some places.

That report comes from Minnesota, Washington State, New York City and State, California, Florida.

- ***All polio*** **in U. S., paralytic and nonparalytic, shows drop among vaccinated children—25 to 50 per cent below rate to be expected without vaccine.**

Of 7 million children given vaccine in 1954 and first half of this year, 717 got polio—1 out of every 9,763.

- ***8 to 9-year-olds*** **show "distinct lowering" in the rate of *paralytic polio;* among 7-year-olds, a "small reduction." This based on study in 29 States.**

- ***Epidemic areas*** **of 1955 report *few paralytic cases* among vaccinated children. This record in key areas called "notable."**

Source: Public Health Service

© 1955, By U. S. News Pub. Corp.

SMOKING ON THE RISE AGAIN

Filter Tips, Longer Cigarettes Show Biggest Gain

One out of five cigarettes sold in the U. S. this year had a filter tip.

That's the big switch in smoking habits coming in the wake of disputed reports that cigarettes may cause cancer or heart disease.

After a lull, Americans are smoking nearly as many cigarettes as ever, probably will smoke more next year than now.

Cigarette smokers in the U. S. are puffing away again.

Since the drop in 1954 that coincided with controversial research reports linking cigarette smoking with lung cancer and heart disease, sales of cigarettes have been rising rapidly. This year, smokers are buying at a rate of 600 million more packs than last year.

Cigarettes with filter tips are increasing in popularity at boom rates. Long cigarettes without filters continue to increase in sales. Only the standard size, without filter, is shrinking in sales.

People in the tobacco industry say that full employment and the general high level of prosperity are contributing to sale of more cigarettes. So is the increase in population.

Consumption of cigarettes in 1952 and early 1953 set records that still stand, but the indicated sale of 414 billion cigarettes this year approaches those records. A survey by the Department of Agriculture forecasts that smoking of cigarettes will continue to rise gradually in 1956.

A dip in sales—nearly 5 per cent in 1954—was a switch from a steady increase in cigarette smoking that had gone on year after year. In little more than a generation, from the late 1920s into the 1950s, smoking of cigarettes quadrupled, from about 100 billion to more than 400 billion.

Then came several research projects into the effects on health of cigarette smoking. One of the most publicized of these researches, sponsored by the American Cancer Society, resulted in a report that death from lung cancer and heart disease was much higher among smokers than among nonsmokers. Other scientists deny that there is proof that cigarettes cause disease. Nevertheless, many smokers are taking precautions.

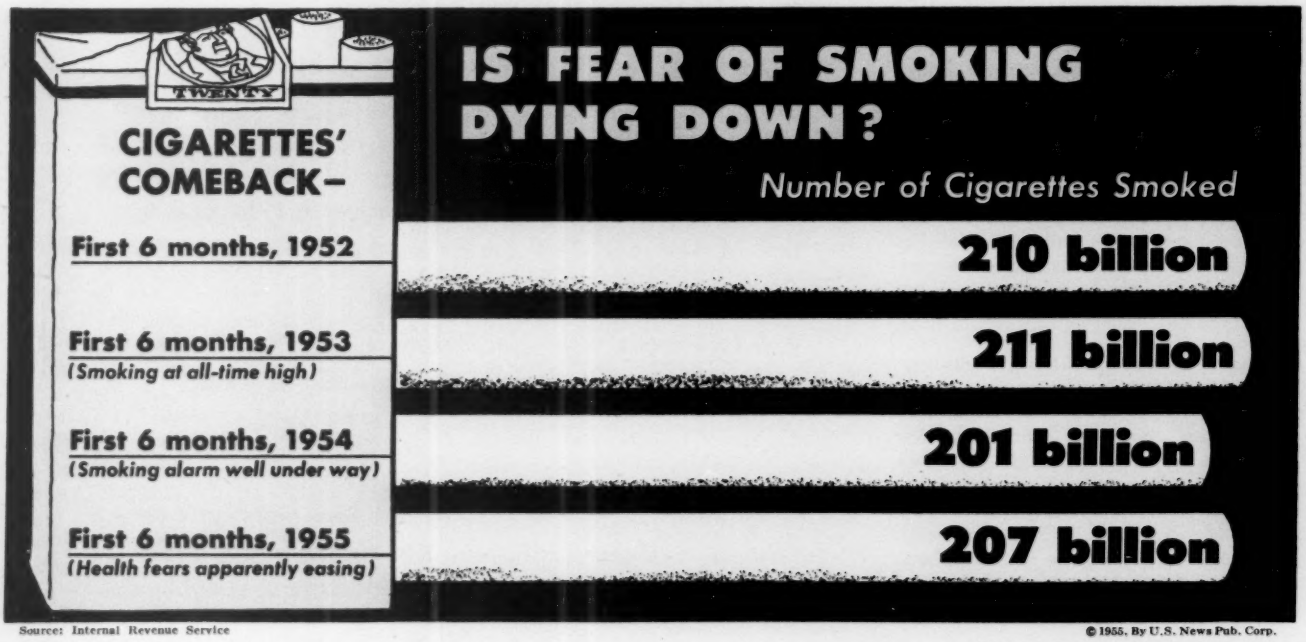
From spot checks, the Census Bureau computes that 1.5 million Americans quit smoking in a year and a half, that 38 million continued to use cigarettes. Some people are starting to smoke again. Many are changing brands.

The big switch is to filtered cigarettes. Harry M. Wootten, of New York, an independent consultant on the tobacco industry, estimates that 1 pack in 5 sold this year carries a filter tip. Last year, it was 1 out of 10, the year before only 1 out of 30.

King-size cigarettes, six tenths of an inch longer than the regular size, also are regarded as having a filtering action, because of their extra length. Sales of these smokes have nearly doubled in three years. Spokesmen for the cigarette industry say that many smokers who switch to long ones cut down on the number they smoke, thus contribute slightly to a drop in total sales.

Together, filter tips and king-size cigarettes now are used by half the cigarette smokers in the country, a big change from three years ago when four smokers out of five were buying the regular size.

Agriculture Department officials who watch the tobacco market believe that the main impact on cigarette smoking of the cigarettes-vs.-health reports now is past. Cigarette makers find that the effect is still with them—not in dropping sales, but in increased smoking of new brands.



Source: Internal Revenue Service

© 1955, By U.S. News Pub. Corp.

look what phosphates have done for the "MIX" business!

Can they improve your products too?

No wonder that *nearly all* of the prepared flours on the market contain one or more Victor phosphates! Nowadays, little girls of 8 or so bake cakes that rival mother's, when they use today's wonderful cake mixes. That's because Victor's controlled-reaction phosphates bring to prepared flours—for both commercial and consumer uses—a new high in uniformity and dependability.

Helping produce better mixes is only one of the many applications of Victor chemicals. Victor serves more than 40 other industries with phosphates, formates and oxalates to improve processes and reduce costs. Send for the Victafile that tells about the Victor chemicals that are being profitably used in *your* industry.

VICTOR

Dependable Name in *Chemicals* for 57 Years

VICTOR CHEMICAL WORKS USN 1014

155 N. Wacker Drive, Chicago 6, Illinois

Please send Victafile showing uses of Victor chemicals in my industry.

*Firm Name*_____

*Address*_____

*City*_____ *State*_____

*Your Name*_____

*Industry*_____

(Please attach this coupon to your letterhead)

Ike's Life as a Patient

What He Eats . . . How He Spends His Time

President Eisenhower is finding that life as a convalescent is pretty dull for a man who has been used to much activity.

Ike is kept in bed. He gets only light meals, lighter work, and very little recreation.

The President is getting a bit restless under this routine.

Prospect is, however, that he's going to have to stay quiet for several more weeks.

FITZSIMONS ARMY HOSPITAL, DENVER, COLO.

Like most individuals recovering from a heart attack, President Eisenhower is growing somewhat restless under his enforced idleness.

Mr. Eisenhower is described as a "good patient." He takes his orders and follows them out. Yet, regaining strength, there is an urge to be up and about, to eat more, to have more visitors, and, in general, to get back nearer to normal.

In spite of this growing restlessness, the President still has weeks of convalescence ahead of him—much of it in bed. It will be late in October before he moves into a more active phase of his recovery that will permit him to leave the hospital. It is expected that he then will go to his Gettysburg farm and stay for approximately a month.

Mr. Eisenhower's return to Washington is not likely to come earlier than December. His doctors make it clear that this is a tentative timetable and that they will be "conservative" in their attitude toward permitting their patient to exert himself—either in the hospital or when he later moves to his farm.

The life that the President is leading right now is a rather dull one—planned that way.

Ike's day starts early. Mr. Eisenhower usually awakens around 6 or 6:30 in the morning. The moment he wakes up, the nurse in the room sets in motion a daily routine that involves 30 people—5 doctors, 9 nurses, 4 dietitians, 2 medical technicians, 7 medical corpsmen and 3 cooks. All are assigned full time to the task of nursing the Chief Executive back to health.

The nurse, when Mr. Eisenhower awakes, calls the doctor on duty. The doctor comes in immediately to take the President's pulse. Next, the medical corpsmen on the morning shift come in to shave and wash him. Then comes breakfast.

A typical breakfast consists of prunes, oatmeal, a soft-boiled egg, toast and milk. It is noted that coffee, a stimulant often denied to heart patients, is absent from Mr. Eisenhower's menu. It also is noted that breakfast includes an egg. This fact is noticed because one of the newer ideas set forth in some quarters is that eggs, along with fats, contribute to hardening of the arteries.

Missing from the breakfast menu are such things as pancakes and fried trout that the President has favored when well. He is, of course, permitted to make requests for certain foods and they are served if his doctors approve.

When breakfast is over, a morning checkup follows. This is a relaxed period, with plenty of time taken for the various examinations. The President's temperature and blood pressure are measured. The blood count and electrocardiogram, barometers of his recovery, are taken with painstaking care. By 10 o'clock the checkup is usually complete and the President is ready for his morning's "activity."

Mamie is close by. During these morning and afternoon periods of "activity," the President talks with Mrs. Eisenhower, who sleeps and takes her meals in a room across the hall from her husband.

Mr. Eisenhower also likes to listen to soft music at this time and sometimes enjoys a simple game or does some light reading from the sports pages or from a Western or detective novel. Around 10:30 to 11, the room is cleared except for one nurse, and Mr. Eisenhower settles back for a period of absolute quiet and rest.

Luncheon comes around 12:30. For this meal there is likely to be something like this: small strip of beefsteak, small baked potato, asparagus, fruit cup and buttermilk. Again it is noticed that the menu is low in calories. The aim is to keep the President on a diet that provides about 1,600 calories a day to keep his weight from going up.

In the afternoon there is another long rest period, some more music or reading, and the official duties of the day are handled. Presidential Assistant Sherman Adams confers with the President and presents papers to be signed or initialed. These conferences, though limited to not more than 10 minutes, are becoming more frequent.

The President's evening is short. He eats supper about 6:30 and is ready to sleep by 8 or 8:30.

That, briefly, is Mr. Eisenhower's day. There will be more days very much like it, say his doctors, before the President is permitted to return to anything like normal activity.

—United Press

WHERE PRESIDENT IS CONVALESCING
Weeks of bed rest still confront him

Scotland's Prince of Whiskies

The production of a magnificent whisky requires consummate skill and endless patience. These are the simple reasons why 12 year old Chivas Regal has become the most wanted premium Scotch in the United States.

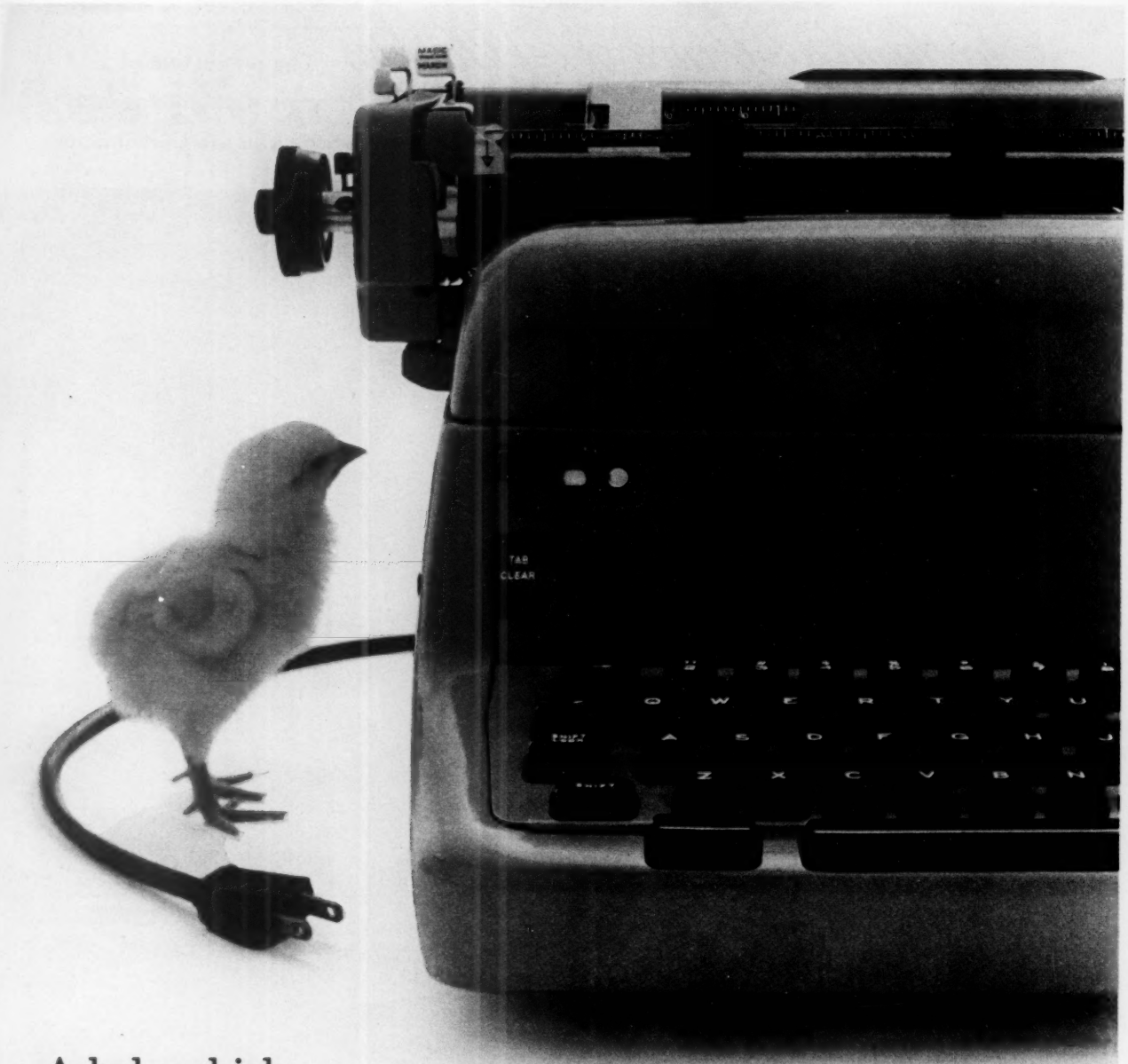
Memories of ancient valor live in the Armour Room of a great castle.

CHIVAS REGAL

12 YEAR OLD SCOTCH WHISKY

CHIVAS BROTHERS LTD. of Aberdeen, Scotland. Established 1801.
By Appointment Purveyors of Provisions and Scotch Whisky to the late King George VI.

BLENDED SCOTCH WHISKY • 86 PROOF • CHIVAS BROTHERS IMPORT CORPORATION • NEW YORK, N. Y.



A baby chick,

the new Royal electric and more work per typist

The baby chick weighs only about two ounces.

It takes less weight than that for a typist to depress one key on the new Royal Electric! And it takes only three ounces to push down the carriage return lever.

It's 13 times easier for her to do these jobs on the new Royal Electric than on a non-electric typewriter. *This means more work per typist.*

Talk to your Royal Representative. He's in the classified telephone directory. When he has the facts on your typists' salaries, days worked per year, hours typed per day, and increased production, you and he will be able to figure out the savings you may expect from installing new Royal Electrics.

Your typewriters are the only everyday business machines that aren't electrified.

Right there is food for money-saving thought.

ROYAL® **electrics** *standards • portables • roytype® business supplies*

The Royal Typewriter Company, *Division of Royal McBee Corporation*

CALIFORNIA: KEY TO '56?

Loaded With Votes and White House Candidates

California can make or break a lot of presidential timber between now and next summer.

If Mr. Eisenhower doesn't run, plenty of California Republicans want to. Vice President Nixon, Senator Knowland, Governor Knight are in the picture.

Some Democrats like Attorney General Brown for the Vice Presidency. June primary will mean much to both parties.

SAN FRANCISCO

As things stand right now, California probably holds the key to the White House in 1956.

California is the home of four potential candidates for the Republican presidential nomination. It also has a Democrat who may influence the Democratic choice. The voters in the State next June 5 are likely to be in a position to knock off or to elevate candidates for the Presidency in both parties.

All of the political thinking here at this point is that President Eisenhower will not accept a second nomination. It also is beginning to be accepted, as a working theory, that the President, if and when he announces his decision, will avoid naming any individual as his successor.

Against that background, the politics of California is taking on major significance for the nation. In each party, there now is a great deal of undercover maneuvering for position.

The most obvious work is going on among Republicans.

Earl Warren, the former Governor, now Chief Justice of the United States, is taking no part in the maneuvering. Instead, he is emphasizing that he is out of politics. If Mr. Warren winds up as the Republican nominee, it will be on the basis of a draft, and that is not now being considered.

The real Republican story involves three other Californians high in politics.

Nixon faces fight. Richard M. Nixon, the Vice President, is in a highly strategic position. If anything should happen to Mr. Eisenhower, Mr. Nixon succeeds to the Presidency. Barring such a development, now regarded as unlikely, Mr. Nixon is to have a fight on his hands for the succession. The reason is found in the position taken by another Californian.

Governor Goodwin J. Knight is known to be opposed to Mr. Nixon. The Governor has balked at compromise proposals that might give the State's delegates to the Vice President. His present moves are pointed toward setting up a delegation that would support Mr. Knight as a "favorite son" candidate.

Senator William F. Knowland stands in the background. His personal relations with Mr. Nixon are good, but his political relations with Governor Knight are regarded as, perhaps, closer. The Senator may hold the deciding voice in the fight. Friends of Senator Knowland say that the Senator is aiming at the Presidency himself, that the big question is whether he will run in 1956 or 1960.

There are some who think that, if the Nixon-Knight dispute goes into a showdown in the primary next spring, the California delegation to the Convention may wind up in the hands of Mr. Knowland.

Senator Knowland in recent weeks has been making a series of speeches in various parts of the country, sounding out his friends, calculating his strength.

Mr. Nixon during his congressional campaigning across the nation in 1954 made many friends at the top levels of the party. His own political advisers are making a study of the Vice President's position.

A real showdown thus may develop between two, or perhaps, even, among three, Californians. Both Senator Knowland and Governor Knight say the matter should be decided by the party's voters in the primary. Mr. Nixon's supporters would like to see a compromise. The final decision may not come until the National Convention opens in the Cow Palace here on August 20.

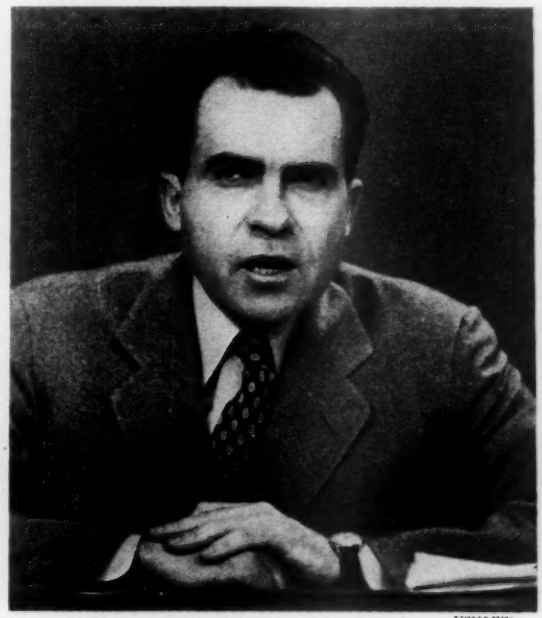
On the Democratic side, a Californian of whom little is known outside the State is being widely sought by aspirants for the Democratic presidential nomination. At least two tentative mentions of the vice-presidential nomination have been linked to his name. He is to figure greatly in future maneuvering.

The man is Edmund G. Brown, the only Democrat holding a State-wide office in California. Mr. Brown was elected Attorney General in 1950, at the same time that Mr. Warren was elected Governor as a Republican. Mr. Brown won re-election in 1954 when Mr. Knight was winning the Governorship for the Republicans.

Friends of Adlai E. Stevenson speak of Mr. Brown as a potential running mate for their man. In the same way, friends of Governor Averell Harriman of New York indicate that they would like to have Mr. Brown on a Harriman ticket. On a recent trip East, Mr. Brown talked with both Mr. Stevenson and Mr. Harriman. At the moment, Mr. Brown is heading up a Stevenson committee and throwing his weight back of the 1952 nominee. If Mr. Stevenson does not win, Mr. Brown favors Mr. Harriman as a second choice.

Battle among Democrats. Just as among the Republicans, a stiff fight for delegates is shaping up among the Democrats. Neither Mr. Stevenson nor Mr. Harriman is to get the California delegation without a struggle.

Senator Estes Kefauver, of Tennessee, who won the California delegation in a primary fight in



—USN&WR

VICE PRESIDENT NIXON
Far from clear sailing

[*continued*]

CALIFORNIA: KEY TO '56?

1952, has many followers here who think the Tennessean did not get a fair showing at the 1952 Convention. Clubs favoring Mr. Kefauver for 1956 are bobbing up all around the State in a drive that is headed by prominent Los Angeles Democrats. It seems certain that a Kefauver delegation will be put up in the primary.

It is not yet clear whether Mr. Stevenson will enter the primary. More than one presidential candidate has been knocked off in the primaries. A case in point was the late Wendell Willkie in 1944. Mr. Willkie, the Republican nominee of 1940, staked his reputation on a fight for control of the Wisconsin delegation in a primary in 1944. When the fighting was over, he came in a poor fourth, with Thomas E. Dewey, Harold E. Stassen and Gen. Douglas MacArthur running ahead of him. The defeat destroyed Mr. Willkie's chances for 1944.

Similarly, the 1956 California primary could be a testing ground for Mr. Stevenson. He got the 1952 nomination without entering any primaries. Mr. Kefauver, who swept most of the primaries, lost the nomination. It would be a great blow to the Stevenson prestige if the nominee of 1952 were beaten here by Mr. Kefauver. By the same token, it would be a big lift for Mr. Kefauver.

Prize—70 votes. The California delegation, itself, is a real prize for the candidates. After New York, California and Pennsylvania have the two largest groups of Convention delegates. They are tied with about 70 delegates each. The size of the delegation to each Convention varies slightly.

—Wide World

EDMUND G. BROWN
A place on Democratic ticket?

For Mr. Nixon, the prestige of having the backing of his home State counts almost as much as the actual voting strength of the delegation. But, unless the situation changes, he faces a formidable roadblock.

In addition to the personal rivalries that stand in his way, Mr. Nixon is confronted by a deep personal feeling on the part of a great many stanch supporters of Governor Warren. The top people in the Republican Party within California, or a good many of them, are definitely cool toward Mr. Nixon.

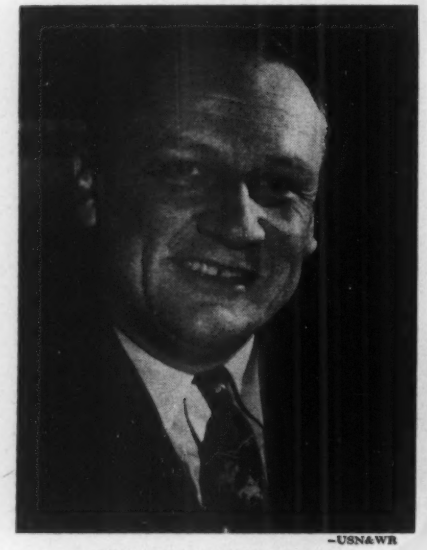
This coolness reaches back to 1952. The California delegation to the 1952 Convention at Chicago was pledged to Mr. Warren. The Warren men say that, aboard the train on the way to Chicago, Mr. Nixon went through the delegation trying to line up second-choice support for Mr. Eisenhower. They are reported not to have forgiven him for this.

Yet many Republicans say that Mr. Eisenhower could flatten the Nixon opposition with a word. No important Republican in the State has put himself so far out on a limb that he could not climb back under Administration pressure.

Nixon's advantage. One factor that helps Mr. Nixon is that he is regarded as standing in the middle ground between Eisenhower men and many former supporters of the late Senator Robert A. Taft, of Ohio, thus bridging the old gap between the two groups.

Senator Knowland is regarded by many Republicans as being too closely identified in the public mind with the old Taft wing of the party. Yet, friends of Mr. Knowland say, his political alignments in California have been with the "liberal" Warren policies, and he is a close personal friend of the Chief Justice. And Governor Knight in office has followed a clear line marked out by Mr. Warren.

Personalities, as well as politics, are bound up in the battle. In the days ahead the clashes here are to keep California in the nation's headlines.



—USN&WR

SENATOR KNOWLAND
His stand is important

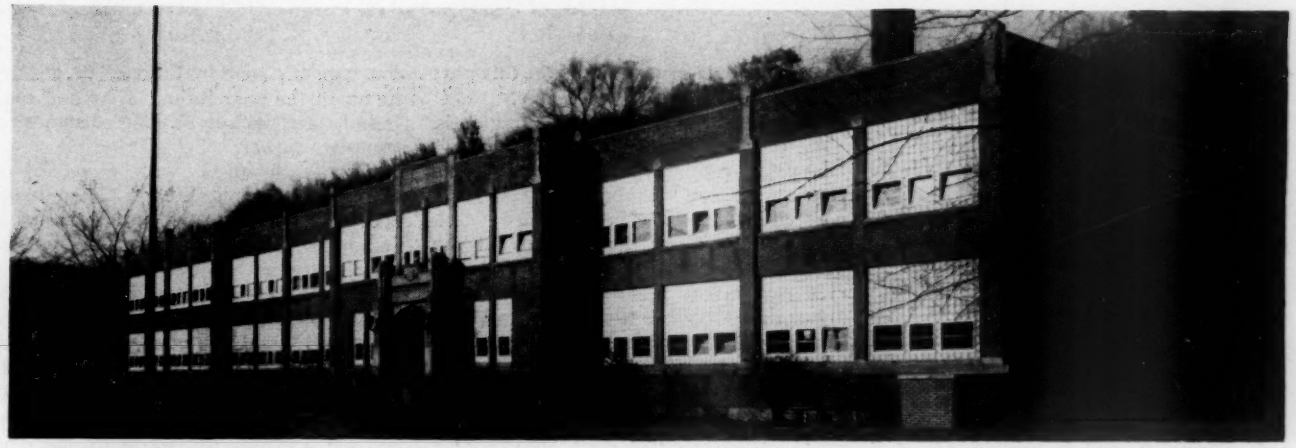
—United Press

GOVERNOR KNIGHT
A favorite son?

—USN&WR

CHIEF JUSTICE WARREN
No politics for him

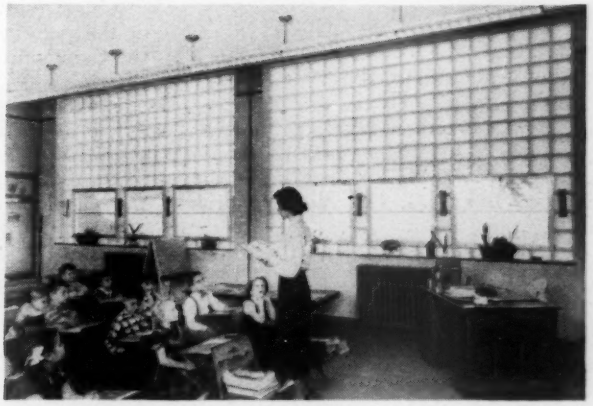
How to get a "new" school on an old-school budget



PC Glass Blocks modernize the exterior...

Before ◀

After ▶



...and improve the daylighting inside

Window modernization with PC Glass Blocks offers a happy solution to school planners who would like the features of a new plant but are confined by budget to modest improvements on the old, still-adequate building.

Two of the many benefits you can expect with a PC Block installation are illustrated in the pictures above of the Turner School, Wilkinsburg, Pa. Old exteriors get an architectural "face-lifting" that belies the date on the cornerstone. Classroom illumination takes on a soft, cheerful look . . . the result of internal prisms in the blocks that control daylight, banning glare and distracting shadows.

The insulation value of PC Glass Blocks (equivalent to 8 inches of masonry) cuts heating bills. And budget-draining expenditures for window maintenance are eliminated.

Whether it is construction of a new school or modernization of an old one, P-C has an important message for you that can mean a better school for the pupils at less cost to the taxpayers. Just write Pittsburgh Corning Corporation, Dept. US-105, One Gateway Center, Pittsburgh 22, Pa. In Canada: 57 Bloor Street West, Toronto, Ontario.

PC Glass Blocks

PITTSBURGH PC® CORNING

ALSO SKYTROL® AND FOAMGLAS®

PARTICIPATING IN SCHOOLROOM PROGRESS U.S.A.

Another Country Going Communist?

Reds and Their Allies Score at the Polls

Communists are closing in on a real prize now—Indonesia. They are stronger than ever in a key area of the world.

Reds and their friends are well on top after a surprising election. Result of this latest development is a blow to the U. S. in Southeast Asia.

It looks like just a matter of time now until the Communists take over the rich Indies—probably without firing a shot.

JAKARTA

Practically everybody guessed wrong on the Indonesia elections—with the result that the U. S. is taking a decisive setback in one of the vital areas of Southeast Asia.

The Communists, already in control of much of Indo-China and threatening Singapore and Malaya, now are riding high in Indonesia. One Western diplomat with years of experience in this part of Asia says:

"I'll give odds of 3 to 2 that Indonesia goes to the Communists within the next five years—probably sooner—and there's nothing we can do about it. The Reds here know exactly where they are going. And you can't say that for any of the other parties."

A rich prize. What worries the West about this outlook is the wealth and strategic importance of Indonesia itself. This sprawling republic of 80 million people spreads in a crescent from the Strait of Malaya across the northern flank of Australia to Netherlands New Guinea (see map on this page). Its islands are among the richest of the world in such resources as rubber, tin and oil.

For months, Western experts have been predicting that Indonesian voters, in their first opportunity to choose a Government at the polls, would turn their backs on the Communist and pro-Communist politicians. The September election was counted in the bag by parties which, if not pro-American, were at least anti-Communist. It isn't working out that way.

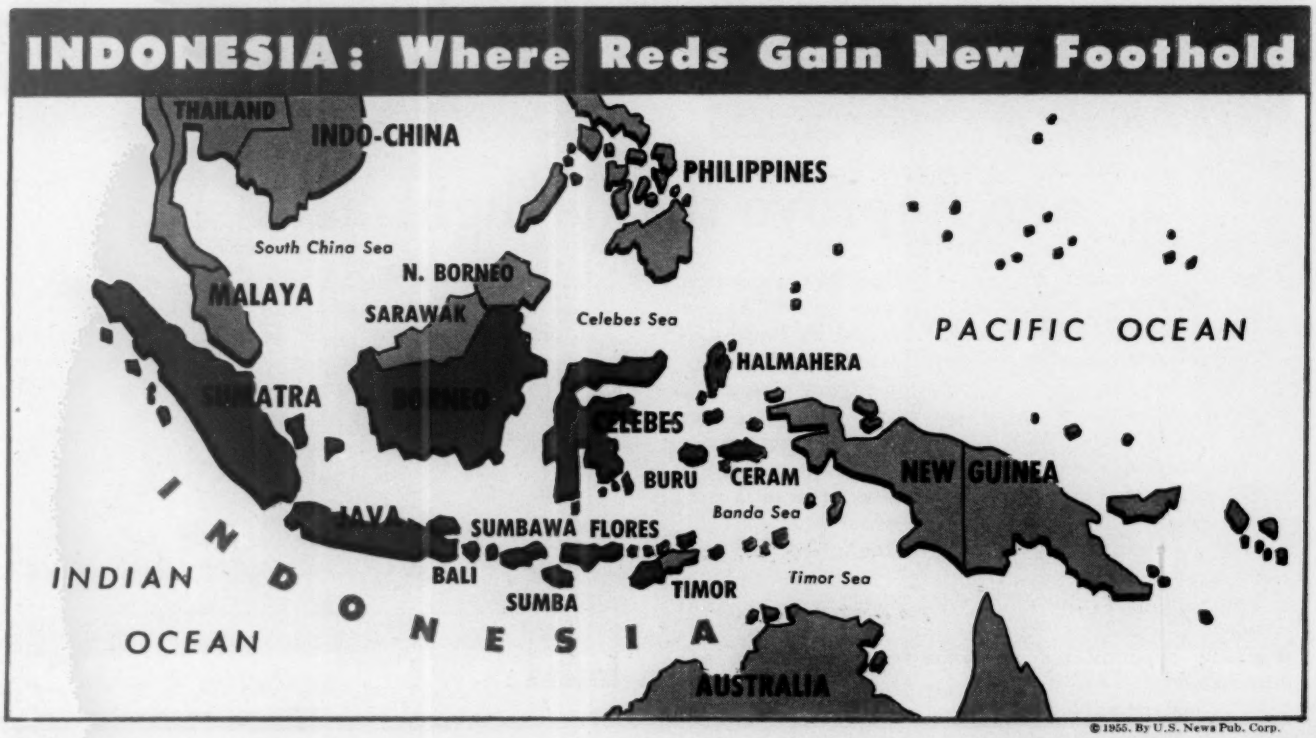
On the basis of returns still coming in, the Communists may well wind up in the copilot's seat in Indonesian governments of the near future. They and their friends are within striking distance of complete power.

The Nationalists, with a record of close collaboration with the Communists, showed up as the most popular party in Indonesia. The Moslem Masjumi—the only party with a record of consistent opposition to the Reds and the group the West was counting on—trailed badly. A separate Moslem party, with a record that has been on both sides of the Communist line, ran close to the Nationalists, and the Communists themselves were not far behind, as the chart on page 40 shows.

Until a few months ago, a weak Nationalist Government ruled Indonesia mainly because the Communists supported them in Parliament. Even before the September election, the Nationalists announced they would accept Communist support in the next Parliament.

Switch in tactics. Indonesia's first general election since the country got its independence from the Dutch after World War II shows how powerful the Communists can be in Asia when they give up

(Continued on page 40)



© 1955, By U.S. News Pub. Corp.

For America's Defense Team...

World's Fastest Navy Fighter...

New Chance Vought *Crusader*

Streaks smoothly into the silent world beyond the speed of sound—yet a sure-footed performer at carrier landing speeds—a potent, advanced weapon for Your New Air Navy.

A lightweight fuselage wrapped around one of the world's most powerful turbo-jet engines—knife-thin wings to meet the challenge of supersonic, high-altitude performance.

This is the new Vought F8U-1. This is the *Crusader*—the world's fastest carrier-based fighter. Evolved by Vought research and development, the *Crusader* represents the next generation of Navy fighters.

Air Navy pilots—proud members of the U. S. Defense Team—will fly the new *Crusader*. It will add significantly to their strength.

The *Crusader* soon will serve with fast-moving carrier forces at sea, helping to guard your freedom and the peace of the world.

CHANCE VOUGHT AIRCRAFT
INCORPORATED DALLAS, TEXAS

Join the MEN Who Fly for Navy
Men Who Will Fly Jets Like the New *Crusader*

There's no greater challenge to young Americans today than the Jet Frontier. $70,000 worth of Air Navy training fits a man to meet this challenge—to become a leader in tomorrow's world.

If you are 18-26, and unmarried, visit your nearest Naval Air Station, or mail this coupon to NAVCAD, Washington 25, D. C., for complete details.

*Name*_____ *Age*____

*Address*_____

*City*_____ *Zone*____ *State*____

CV-9A

DESIGNER AND BUILDER OF HIGH PERFORMANCE MILITARY AIRCRAFT SINCE 1917

THE Miser

It was buried in a big hole near the garden wall—everything he ever owned reduced to a single lump of solid gold. The miser took every opportunity to sneak down and gloat over his treasure. But alas! There finally came a day when his gold was gone. The town thief had stolen it.

As the miser sat bemoaning his loss, a passing neighbor tried to console him: "Look friend, you were never going to spend it anyway; so cheer up. "Just bury a big rock, pretend that it's gold, and you can have just as much fun drooling over a piece of granite instead."

What Aesop was really saying when he told that story, of course, was that the true value of money is in its use—not its possession.

And that's something we've been trying to tell people for a long time ourselves.

Especially people who have extra dollars that aren't earning their keep . . .

People who never bought a single share of stock before . . .

People who *could* really afford to start an investment program of their own . . .

People who really should!

Just how do you start? Which stocks should you buy?

Well, that all depends on your own situation, on the returns you are looking for, and the risks you can take.

But if you'll write us a letter and tell us something about your personal circumstances, our Research Department will be happy to draw up the most practical program it can to meet your objectives.

There's no charge for this, you're not obligated in any way. Simply address a confidential letter to—

WALTER A. SCHOLL, *Department SA-64*

MERRILL LYNCH, PIERCE, FENNER & BEANE

70 Pine Street, New York 5, N. Y.

Offices in 107 Cities

[*continued*]

ANOTHER COUNTRY TO REDS?

violence and go in for conventional campaigning.

Seven years ago the Reds tried to seize power here while the Indonesians were still fighting the Dutch. The Indonesians turned on them, crushed the revolt, executed most of the Red leaders and did such a thorough job on the Communists that the party was left in ruins.

Two years later the Reds switched tactics. They renounced violence. Then they started the slow job of rehabilitation. They were careful to avoid making trouble for anybody—and it worked like a charm.

In five years, Communist-party membership was up to half a million. The Reds gained control of an estimated million trade and agriculture-union members, created an unarmed but highly disciplined "militia" of 200,000 former guerrilla fighters and got ready to offer their services to the Nationalist Government in Parliament. Soon they held the balance of power.

For the last couple of years they have been going ahead at full speed, financing themselves locally by the use of a head tax. There are 2.5 million Chinese in Indonesia and they form a potent minority in terms of cash. The Reds tightened their hold on the wealthy Chinese after the Nationalist Government decided to accept Communist support. This is the way one trained observer puts it:

"The Commies slap a head tax on each Chinese grocer, merchant, planter, exporter or what have you—and they pay up fast! They learned long ago that, if they didn't pay, they were in trouble with the Government. That was the deal—that the Nationalists would see to it that the Chinese stay in line for the Reds."

Tireless organizers. Most of the experts here on the ground were not surprised at the size of the Communist vote. The Red organizers were tireless. They told the voters they would support President Soekarno because the President is a very popular man. They promised more pay for workers and "land to the tiller." They promised to nationalize foreign-owned industries such as rubber and oil. They plastered Indonesia with hammer-and-sickle emblems because most Indonesians are illiterate and the Communists figured they would be most likely to vote for a symbol with which they were thoroughly familiar.

The Communists spent more money in this campaign than all the other parties combined. Most of the cash they raised right here in Indonesia, although they

HOW THE REDS FARED WITH INDONESIAN VOTERS

Favorable to Communists

Nationalist party	6,600,000
Communist party	5,100,000
Total	**11,700,000**

Opposed to Communists

Masjumi party	4,900,000

Uncertain

Moslem Scholars party	5,400,000

Unofficial, incomplete returns

© 1955, By U.S. News Pub. Corp.

got a lot of help from the Chinese Communist Embassy in Jakarta.

For more than a year the Reds have been touring Indonesia's villages, promoting the idea among the Moslems that Communism is really a "modern Islamic way of life." They gained prestige across the country by working peacefully with the Nationalists.

President Soekarno himself added to their prestige. In speech after speech he urged "progressive" policies for Indonesia, pointing to Russia and Red China as countries where "progressivism" has had mass support. He called the British "commercial imperialists" and the Americans "liberal imperialists." To most Indonesians, this left no doubt where the President's sympathies were.

The real surprise in the election was the strength shown by the Nationalists and the relative weakness of the anti-Communist Masjumi. The Nationalist party had been racked by scandals and corruption when it was in power, working with the Reds. The country's economy was running downhill right up until the Masjumi took over a few months ago. There was a feeling that the Nationalists would go into the election as a thoroughly discredited party.

But the Nationalists had built up strong local machines. They came out with a platform of "proletarian nationalism" that appeared to be all things to all men. And it is clear now that their close collaboration with the Communists helped them a lot more than it hurt.

The Reds, now stronger than ever, still are not in a position to make a complete bid for power—yet. For one thing, the Army is against them. Its best units are commanded by anti-Communists. It was the Army that brought down the Government a few months ago when attempts were made to put a pro-Communist in charge of the armed forces. Any sudden move to seize power by the Reds now could bring the Army into action on its own—and the Communists know it.

Next time: Reds on top? What most on-the-ground observers expect is that the Communists will sit back for a while, offering their powerful support in Parliament to any new government in exchange for a free hand to tighten their hold on labor and education and in the villages. If they get away with it, they can emerge from the next election as the strongest single party in Indonesia, and really take over.

But, whatever the Reds do, Indonesia is almost certain to move closer to the Communist line and to closer ties with Red China and Russia. This is the way one Western diplomat's report winds up:

"The election results are no good for the West. Indonesia's neutrality will be more of a fiction than ever."

"I'm not even sure that a flying broom can get over that Cyclone Fence!"

Even black magic and the secrets of witches will not help a burglar get over a Cyclone Fence. Cyclone is the *quality* fence, designed for maximum security. That's why it is the most widely used property protection fence in the world today.

You *can* buy cheaper fences than Cyclone, but they may cost more in the long run. Cyclone Fence has heavy posts and rails, tough steel woven fabric which is *galvanized after weaving* to resist rust . . . gates that open and close easily, without sagging or dragging.

Installation is important, too. That's why Cyclone Fences are installed by full time experts — men who have spent their lives mastering the difficult art of setting a fence so that it *stays* taut and trim throughout its long and useful life.

CYCLONE FENCE DEPT., AMERICAN STEEL & WIRE DIVISION, UNITED STATES STEEL CORPORATION

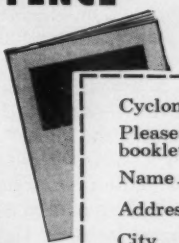
WAUKEGAN, ILLINOIS • SALES OFFICES COAST-TO-COAST • UNITED STATES STEEL EXPORT COMPANY, NEW YORK

USS CYCLONE FENCE

Cyclone is the trade-mark name of fence made only by Cyclone. Accept no substitute.

FREE BOOKLET ON FENCE

Our informative booklet is filled with photographs, drawings and graphic descriptions of different styles of fence and gates for the protection of property. Whether you're interested in a few feet of fence or miles of it, you'll find this booklet worth your while. Send for your copy. It's free.



CLIP THIS COUPON — SEND IT TO

Cyclone Fence, Waukegan, Ill., Dept. E-105

Please mail me, without charge or obligation, a copy of your booklet.

Name.....

Address.....

City.....Zone....State.....

USS

UNITED STATES STEEL

WHERE U.S. IS LOSING AGAIN

Moscow Now Riding High in the Middle East

U. S. may be in for real trouble in the Middle East, the way things are going.

Moscow has a foot in the door now—and dislodging it will not be easy.

Egypt's arms deal with the Communists is popular with the Arabs. Other countries are anxious to tap the same source for weapons.

American anxiety is dismissed as meddling. U. S. prestige is really on the skids in an area where the Reds are making new friends.

A Regional Editor for *U. S. News & World Report* went to Cairo to see how the U. S. and Russia are doing on this front of the "cold war." This is his cabled report.

CAIRO

The arms deal between Egypt and Communist Czechoslovakia is only the beginning of a gradual drift of the entire Arab Middle East toward closer relationships with Moscow and the rest of the Soviet world. That is evident already from the atmosphere here in Cairo.

U. S. officials are seriously concerned about the situation, but they have failed so far to find any way to check the trend.

Egypt's move to buy its weapons from the East is being hailed by other nations of the Arab League as a victory for Egyptian diplomacy. The prestige of Premier Gamal Abdel Nasser has soared to new heights throughout the Arab world. Other Arab countries are climbing on the "arms from the East" band wagon.

–Seibel in the Richmond Times Dispatch

"CLAWS FOR THE SPHINX?"
But they may scratch Arabs, too

The United States suddenly is the butt of attacks more vitriolic than at any other time in Egyptian-American relations. Russia, on the other hand, is receiving unprecedented bouquets. The "Voice of Arabs" radio broadcasts originating in Cairo speak of the Soviet Union as being "sincere, honest and impartial" in its attitude during the present arms dispute. Some Arab leaders are drawing contrasts between what they term an "understanding" Russia and the "imperialistic" United States.

American officials in the Middle East frankly fear that the purchase of Soviet arms in any quantity will lead this part of the world to political dependence on the Communists, and they have been telling this to the Egyptians. But expressions of American concern, so far, have served only to heighten suspicion of U. S. motives in Egypt and to step up the attacks on American policy. Now Arab nations in the area are following suit.

George V. Allen, U. S. Assistant Secretary of State who rushed here from Washington when the arms deal became public, failed to convince Premier Nasser of the danger to him and the West in the purchase of Communist arms. Mr. Allen also failed to convince the Premier that the U. S. is not favoring Israel in its arms policies in the Middle East.

Why U. S. offers failed. Egypt could have had some free military aid from the U. S. a year ago, but Premier Nasser turned down the offer because Washington wanted the right to send a military mission along so it could keep check on the use made of American arms. Premier Nasser feels that such a mission would be considered by most Egyptians as a form of "colonialism." U. S. officials have not been able to talk him out of that notion.

More recently, the country had an opportunity to buy some U. S. equipment for cash, with no strings attached. But the Nasser Government didn't have the money.

The U. S., however, has never been prepared to supply Egypt with all the arms it would like to have, for fear that, if the Arab countries got stronger than Israel, they would start the Palestine war again.

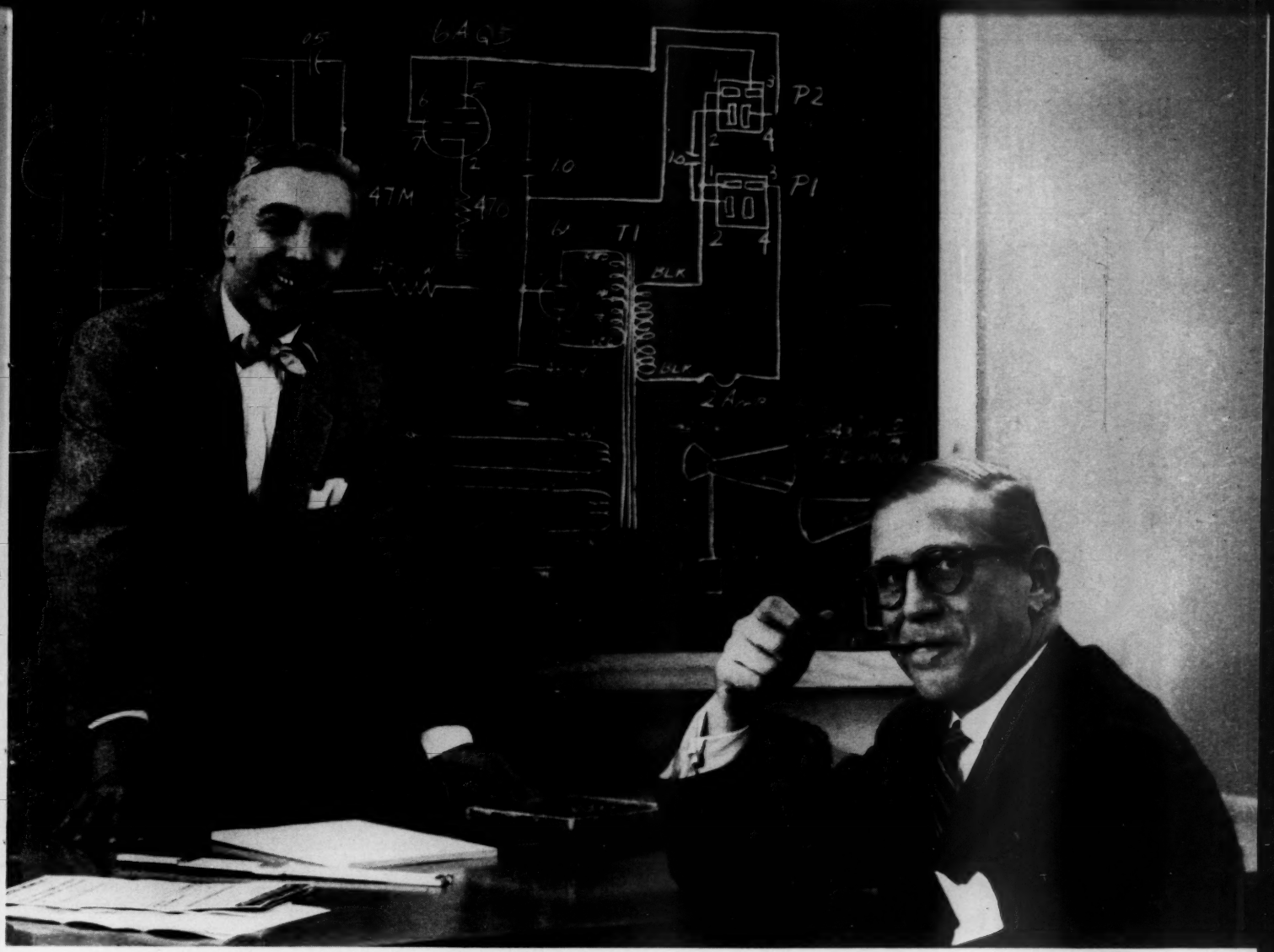
No such considerations moved the Communists. They are ready to step in and furnish Egypt with as much military equipment as it wants, on what they call purely "commercial" conditions.

There is no doubt that the deal with Czechoslovakia was commercially advantageous, so far as Egypt is concerned. It allows the Egyptians to sell the Commu-

(Continued on page 44)

–Fitzpatrick in the St. Louis Post-Dispatch

"AND THE FIRE SEEMED TO BE DYING"
The West is apprehensive



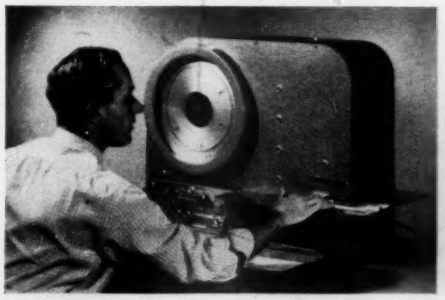
They wanted to change pounds to volts

After a hundred and twenty-five years of scale engineering it was easy!

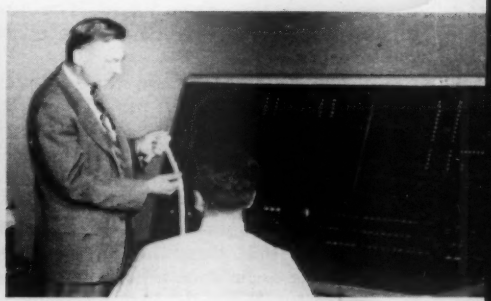
Fairbanks-Morse Scale Engineers sought and found the practical way to adapt modern electronic principles to one of man's oldest commercial activities—the accurate weighing of items of trade.

The result is the new Fairbanks-Morse Electronic Scale that brings weighing information right to your desk from any spot that is too remote, too hot or too dangerous.

Only from Fairbanks-Morse can you get such originality and soundness of *new* design that assures outstanding performance. When next you need a scale . . . or a pump . . . an electric motor . . . or a diesel engine, look for the famous F-M Seal. For 125 years it has stood for the finest in practical engineering. Fairbanks, Morse & Co., Chicago 5, Illinois.



The Secret is this desk-sized electronic instrument that is direct reading; direct indicating—no manual switching or mental additions. Memory circuit prevents printing unless true balance exists.



The Result is that indications can be brought from remote locations to a central spot and integrated into other automatic electronic operations for faster, more complete utilization of weighing information.

FAIRBANKS-MORSE

a name worth remembering when you want the best

SCALES • PUMPS • DIESEL LOCOMOTIVES AND ENGINES • ELECTRICAL MACHINERY • RAIL CARS • HOME WATER SERVICE EQUIPMENT • MOWERS • MAGNETOS

[continued]

WHERE U. S. IS LOSING AGAIN

GEORGE V. ALLEN, PREMIER NASSER, AMBASSADOR HENRY A. BYROADE
U. S. diplomat's words failed to change Egyptian's mind

nists cotton that has been piling up in Egyptian warehouses ever since the U. S. caused uncertainty among cotton buyers by hinting it might give export subsidies to American cotton.

But, to the Communists, the arms deal opens up an opportunity to get a foothold in the Middle East and Africa—something they have never been able to do before throughout the "cold war."

Premier Nasser claims that he warned American officials months ago that, if he didn't get arms from the U. S., he would get them from Russia. The Americans insist the Egyptians gave no such advance notice.

The Egyptians claim that arms from the outside have been moving into Israel steadily. They say the Israeli Army is being equipped with Belgian small arms and 155-millimeter guns, with tanks and warplanes made in France. Premier Nasser says he does not intend to rekindle the Palestine war, but that he needs weapons to balance off the Israelis' new equipment. When the Premier couldn't get the goods from the West, he turned to the Communists.

The Premier is not worried in the least about doing business with the Soviet world. He is convinced that Communist-made military equipment can be adopted by the Egyptian Army without the need for Soviet technicians to come along and instruct in its use.

The Western fears. But military experts here who are familiar with the state of training in the Egyptian Army, and with the competence of Egyptian instructors, disagree with the Premier. They are sure that, if Egypt sets out to re-equip its entire armed forces with Soviet or Czech-made weapons, it will find it needs Communist "technicians" and "instructors" by the hundreds. This army of Iron Curtain technicians would form a core of Communist influence in the country such as Egypt has never had before.

Also, the Americans keep trying to point out, an Egyptian Army equipped with Communist arms would be dependent on the Communist world for spare parts—a supply that could be turned off at will. That could give Moscow a tremendous political lever to keep the Egyptians in line.

Another American argument runs this way: What will happen if Russia invades the Middle East after equipping Egypt and other countries with Soviet arms? The Russians could simply cut off the supply of ammunition and spare parts and, as one military expert asks: "What good would all that Soviet equipment be then? The Egyptians might want to fight on the side of the free world, but, because of the lack of spare parts and ammunition, their Soviet equipment would be useless in no time."

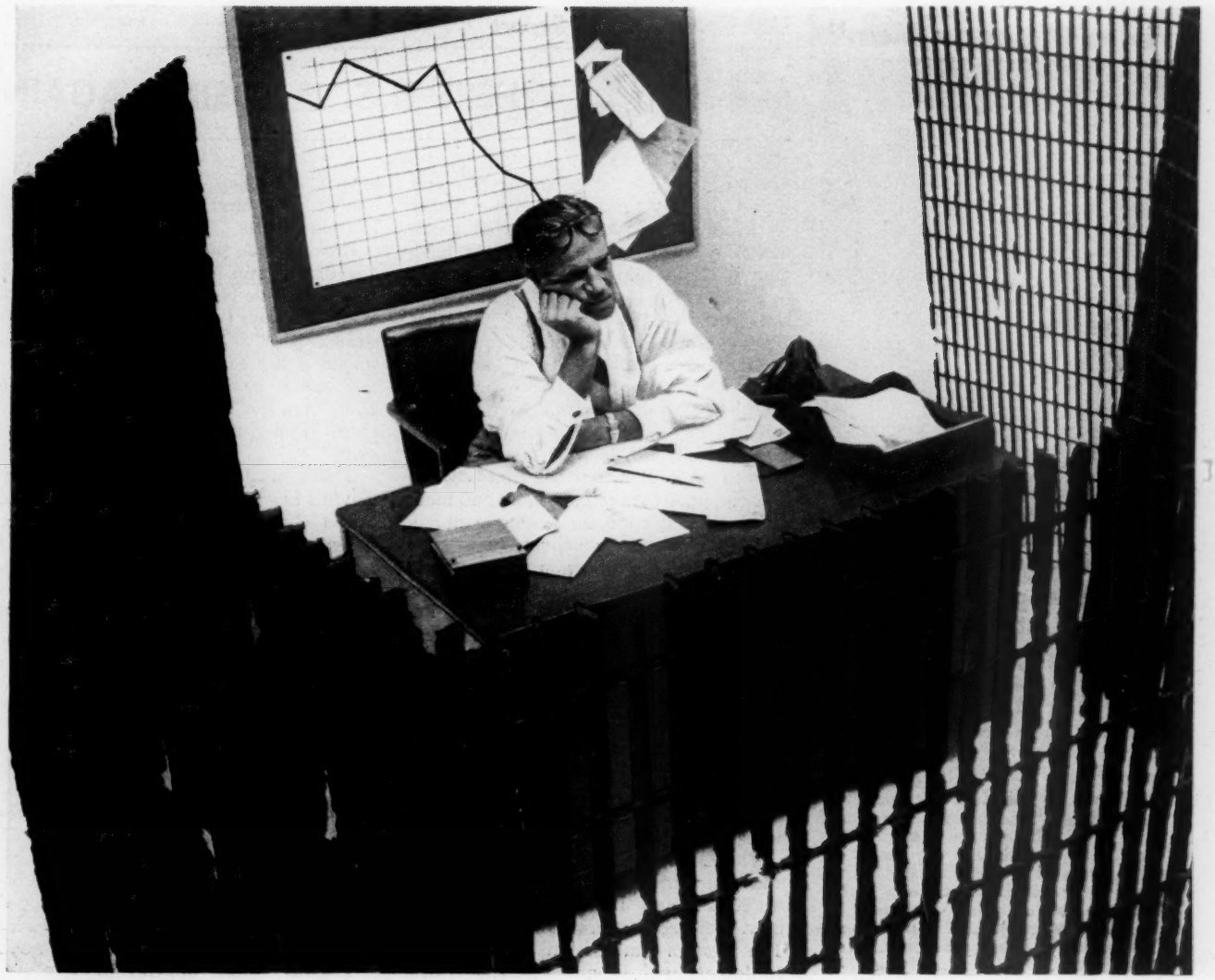
Even beyond these things, however, Western diplomats are worried over the prospect that the arms deal will increase Egypt's economic dependence on the Communist countries. A tendency in that direction started long before the purchase of military equipment from Czechoslovakia. Egypt has been tying up with the Soviet economy at an increasing rate in recent months.

Iron Curtain trade. Sales of Egyptian cotton to the Soviet bloc have gone up

(Continued on page 46)

—United Press

EGYPT'S TROOPS ON THE MARCH
Their new equipment will come from the Communists



Who keeps boxing in the Traffic Manager with corroded grates?

Corrosion is very much the business of every management executive. Take the Traffic Manager. His job is to meet delivery dates or lose business.

When costly corrosion shuts down a plant or holds up deliveries, he's piled up with unfilled orders, complaints, *cancellations!* And he dreads the jam sure to come when production resumes!

Yet it's all so needless! Because corrosion and all its problems are being wiped out in every industry in which Firestone Exon resins are doing a job.

Makes no difference what you make. Or what corrosives you use. Or what equipment you must protect.

Firestone produces a complete line of Exon resins for every type of protective application. This ever-expanding line has proven itself in such applications as self-supporting structures, dip and spray coatings, tank liners, pipes, fittings, valves and paints.

Why not drop a note to Firestone today? Let's see how easily *your* corrosion headache can be eliminated by a specifically engineered Exon resin.

• *Corrosion is, indeed, every executive's business. And the unqualified success of Exon resins has made it Firestone's business.*

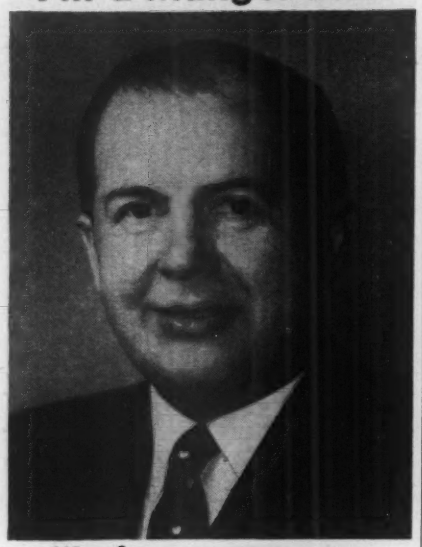
Firestone

EXON®

....CHEMICAL SALES DIVISION

FIRESTONE PLASTICS CO., DEPT. 21V, POTTSTOWN, PA.
A DIVISION OF THE FIRESTONE TIRE AND RUBBER CO.

"I'm a Manger Man"



"I always stay at a Manger Hotel"

says MR. TEVIAH SACHS

President, Waltham Watch Co.

"I've seen the inside of plenty of hotels during my business trips over the years," says Mr. Sachs. "And experience has taught me to stay at a Manger Hotel whenever possible.

"There's a fine, friendly quality about Manger Hotels. The service is wonderful, the rooms are handsomely decorated and the restaurants are outstanding. I like their convenient locations, too. And Manger Hotels are always improving. The new lobby and Purple Tree Lounge at the Manger Hamilton in Washington, D. C. are really beautiful."

Yes, Mr. Sachs, we are spending millions improving all Manger Hotels. These improvements are continuing . . . to keep you and your associates more than satisfied with Manger accommodations.

Manger Hotels

NEW YORK CITY
THE MANGER VANDERBILT
THE MANGER WINDSOR

WASHINGTON, D. C.
THE MANGER ANNAPOLIS
THE MANGER HAMILTON
THE MANGER HAY-ADAMS

BOSTON
THE MANGER

CLEVELAND
THE MANGER

ROCHESTER, N. Y.
THE MANGER ROCHESTER

GRAND RAPIDS
THE MANGER ROWE

SAVANNAH
THE MANGER

Teletype reservations free by phoning your nearest Manger Hotel.
Children under 14 free, except in N. Y. C.

[continued]

WHERE U. S. IS LOSING AGAIN

fast, and cotton is just about Egypt's only export. During the last year the Soviet world bought more than twice as much cotton as ever before. Shipments have gone to Russia and Red China, as well as to Czechoslovakia. Payment on the China deal was arranged in such a way that Egypt will have to buy products in other Communist countries in order to get full compensation.

The same trend in trade shows up in imports. Egypt now buys more than half her oil from Russia and Rumania. She used to get it all outside the Iron Curtain. The Egyptians are relying more and more on Eastern Europe for heavy manufactured goods and machine tools—such things as locomotives from Hungary and steel from Czechoslovakia. Even the wheat that has traditionally been imported from the U. S. and other Western countries is beginning to come from the Soviet bloc instead.

As a result, Cairo is swarming with Communist trade delegations representing countries all the way from China to Poland. Their very presence has served to increase Communist prestige in Egypt steadily over the last several months. The arms deal sent it higher than ever.

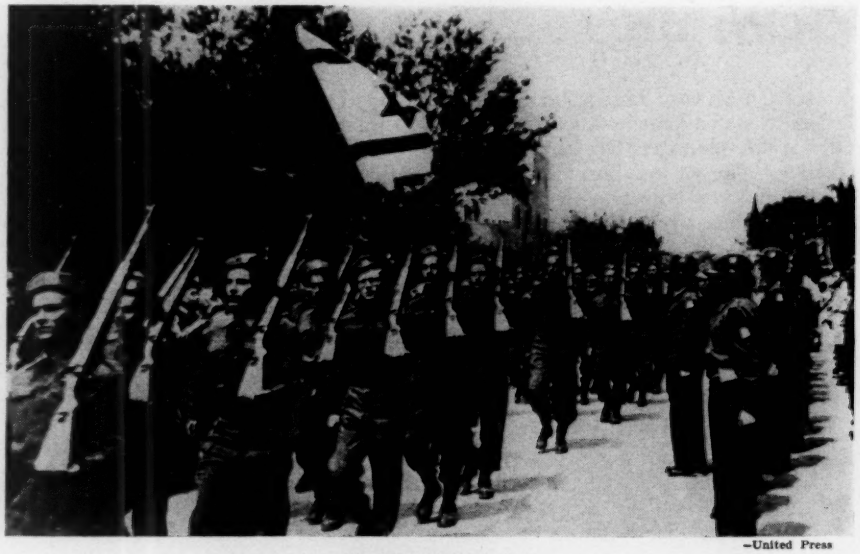
The Communist influence isn't noticeable only in trade. Diplomatic missions of Russia and the satellites have all been getting bigger and more active. The Russian Ambassador is in frequent conference with Egyptian leaders. Russia has been given permission to expand its propaganda activities and has just recently taken over a building in downtown Cairo where it displays books and photographs and holds showings of Russian movies.

Russia began putting out a daily propaganda bulletin last month. Communist countries have been splurging with elaborate displays and other promotion stunts. East Germany, for example, staged a big fair in Cairo last spring—and spent more on fireworks for the affair than the U. S. Information Agency spent throughout Egypt in all of last year.

There is an increased tendency in Egypt's newspapers to go along with the Soviet line on international policies. Sometimes the papers print propaganda releases from Communist embassies without changing a word. For example, not long ago a Cairo newspaper carried a story extolling Czechoslovakia's "ever-increasing living standard" and the high quality of its goods. The article bore the headline, "Czechoslovakia Makes the Stuff That Dreams Are Made Of." The whole thing came straight from a press release issued by the Czech Legation.

U. S. prestige nose-dives. While the prestige of the Communist countries has been going up here, that of the United States has been on a sharp downgrade—particularly so in recent weeks. Apparently the hurry-up trip of Assistant Secretary Allen did nothing to check that trend.

Premier Nasser appears to have convinced himself that the United States is interested primarily in keeping Israel stronger than Egypt. No argument has



—United Press

ISRAELI TROOPS
Arab arms point at possible new woes for them

succeeded in changing his mind. In speeches, he openly accuses the United States of practicing "deceit" and "trickery" in the Middle East.

One of the officials of the Nasser Government, writing in a Cairo newspaper, described the "ravings" of the Americans as "imperialistic, ignorant, cheap conceit." When U. S. officials showed alarm over Egypt's deal to buy arms from Czechoslovakia, another newspaper called the American attitude "scandalous."

The U. S. has purposely kept its public expressions about the arms agreement down to an absolute minimum because, as one American official explained it: "The way sentiment is, if we complained too loudly, we would drive the Arabs right into the arms of the Soviet Union."

Another American who knows Premier Nasser quite well says: "Rationally, Nasser is with the West. But emotionally he is not. We have to tread lightly."

Generally, there is a feeling that the Egyptian leader has made up his mind that Egypt's short-term interests lie with the Soviet bloc rather than with the West. And his soaring popularity in the Middle East after his deal for Communist arms indicates that many of his Arab neighbors feel the same way.

Another blow: timing. What worries the West in this attitude, though, is the fact that Premier Nasser is turning to Communist suppliers for Middle East arms at a very time when the British are moving out of the strategically important Suez Canal zone. More than half the British troops are gone already. The rest are scheduled to be gone by next June, and may be out of the area even before that. A year from now, the huge military installation which for years was the British bastion in this part of the world will be completely out of business.

Thus, a military vacuum is being created in Egypt at the very time when the Arab nations are beginning to yearn for more weapons of their own—which the Communists are anxious to supply.

Premier Nasser is convinced that he can buy weapons from Czechoslovakia without getting caught in a Communist snare. But many observers find his confidence naïve, at the least. As one British diplomat puts it:

"Nasser thinks he can sit down to play his poker hand with the Russians and come out on top. Unfortunately, he has neither the cards nor the experience."

The same observation can be applied to the entire Arab Middle East, say longtime officials here.

For an inside view on how sale of Russia's surplus arms threatens world security, see text of an address by Allen W. Dulles, Director of the Central Intelligence Agency, page 126.

Concrete Bonuses
for motorists and taxpayers

You're looking at Bankhead Highway (U.S. 78), an old concrete road in Fulton County, Ga. This road, built in 1916, has served taxpayers in the area with amazing economy ever since.

Since 1916 Bankhead Highway has carried more and more traffic, heavier and heavier loads. The average daily traffic on this section now is 7000 vehicles—1/3 of them commercial.

Traffic loads like this are far more than the pavement was designed to bear. And the service life has been longer than was expected. By modern standards this road is inadequate. Yet it goes right on carrying this extra traffic with very little maintenance expense, while other types of pavement have been rebuilt or resurfaced many times.

Hundreds of miles of concrete roads built decades ago match the performance of Bankhead Highway. They long ago earned their cost and keep in the gas taxes and license fees that motorists pay to use them—*and they're not through earning yet!*

By continuing to earn annual bonuses for motorists, these old, durable concrete roads help pay for today's new highways. And the concrete roads constructed today promise to deliver even greater bonuses because they can be built to last twice as long.

PORTLAND CEMENT ASSOCIATION
33 West Grand Avenue
Chicago 10, Illinois

A national organization to improve and extend the uses of portland cement and concrete . . . through scientific research and engineering field work

President's Economic Adviser Sees

GOOD TIMES AHEAD, 400-BILLION-DOLLAR ECONOMY

With the President sick, political outlook changed, stocks lower, people are wondering what will happen to the economy.

An optimistic appraisal is given by the President's chief economic adviser, Arthur F. Burns.

Expanded credit, considered a danger, is becoming sounder, Mr. Burns feels. Price inflation is not general.

Business booms despite cuts in federal spending. Inventories are not swollen. Prosperity is widely shared. World trade expands. The farm problem remains one weak spot.

This official view is explained below.

Following is full text of an address, "The Challenge of Prosperity," by Arthur F. Burns, Chairman of the Council of Economic Advisers, delivered before the Chamber of Commerce of the State of New York in New York City, Oct. 6, 1955:

An article in a recent issue of one of our leading journals recounts that the Roman Emperor Constantius thought so poorly of men's eagerness to unravel the future that he made a law forbidding "anyone to consult a soothsayer, a mathematician, or a forecaster."

I am not aware of any such law by our own Congress to quiet the human mind. Nevertheless, since my aim today is to discuss the current economic situation from the viewpoint of a student of business cycles, I can proceed as would a law-abiding Roman.

During the past year our economy has again demonstrated its capacity for vigorous growth. After a minor setback, which began in the summer of 1953, economic activity rebounded sharply toward the close of 1954. Construction work moved ahead on an expanding scale. The business handled by retail merchants, by service establishments and by both importers and exporters increased. Factories, mines, power plants and freight yards stepped up their activities.

The scope of the economic expansion widened as its magnitude increased. By the spring of this year, widespread advances had carried our economy beyond the crest of the Korean-war boom.

The most comprehensive measure that we have of economic activity is the gross national product—that is, the dollar value of the nation's total output of commodities and services. In the second quarter of 1954 our national product was at an annual rate of 358 billion dollars. A year later it was 385 billion, or about 7.5 per cent larger. At present it is 390 billion, if not higher. The level of activity in 1953, when the rate of output was 369 billion dollars at its highest, is well behind us.

Another comprehensive measure of economic activity is civilian employment. In September, 1953, about 62.5 million men and women were at work. A year later employment was a little lower, but recent months have again brought a vigorous rise. Between September, 1954, and September, 1955, civilian employment increased by over 2.5 million and is now substantially higher than at any time in 1953.

Still another comprehensive measure of economic activity is the amount of income disbursed by private industry and government. In the second quarter of 1953 incomes were being disbursed to individuals at an annual rate of slightly over 290 billion dollars. A year later, despite the contraction of economic activity, personal incomes were a half billion higher.

The recent expansion has brought income disbursements to an annual rate of 310 billion. And the increase in dollar income during the past two years has been genuine, since average prices in consumer markets have been steady while taxes have been lower.

Thus, whether we observe economic activity at the stage of production, or of employment or of income disbursement, we find evidence of progress and prosperity. Employment is high. Profits are satisfactory. Investment is going forward at a good pace. Except in some scattered localities, unemployment is close to an irreducible minimum. Many factories, mines and shops are working overtime. Indeed, overtime is even more extensive than it was in the summer of 1953.

We must not, however, permit these favorable developments to lull us into a state of complacency. Though the domestic demand for farm products is high, not all branches of our diverse agriculture are enjoying a full measure of prosperity. Obstinate surpluses of several crops have tended to restrict or reduce growers' incomes. Droughts, freezes and floods have wreaked havoc on crops in scattered sections. Pockets of relative poverty, urban as well as rural, are still to be found.

A period of general prosperity presents a challenge to an intelligent citizenry—how to develop conditions under which lagging industries and areas may join in the economic advance, how to extend the good times and how to improve the quality of living. As everyone knows, the response to this challenge has often been inadequate in the past. Time and again, in our own country and other nations, monetary inflation or business depression have disrupted economic life and brought hardships to people.

. . . "This year we have met the challenge of prosperity"

Experience teaches that prosperity often stimulates practices which, unless corrective measures are taken in time, will eventually result in its discontinuance. As a nation approaches full employment of its resources, it becomes more difficult to expand production. Here and there, in a widening circle, shortages of materials and labor develop, and they cannot be remedied promptly. Wage rates, unit costs of production and prices tend to rise. Since they do so unevenly, profits are squeezed—first in a few industries, then on a wider front.

If businessmen and consumers, expecting the advance in prices to continue, rush to buy beyond their current requirements, this process is apt to be intensified. If financial institutions keep expanding loans on liberal terms in every direction, the imbalance between monetary demand and the physical supply of commodities and services will be accentuated. If a mounting optimism warps judgment to the point where the quality of credit is allowed to deteriorate, or where people borrow extensively to speculate in securities or real estate, the groundwork for later economic trouble is laid all the more securely.

Why Government Must Lead

The prevention of inflationary developments and their aftermath is to everyone's real interest and, therefore, in a sense is everyone's responsibility. But it is precisely because this responsibility is so widely diffused among business firms, trade unions, consumers and financial institutions that the Federal Government must assume leadership.

Governmental measures of monetary and fiscal restraint are too austere to be popular. The manufacturer who sees an opportunity to expand his activities by borrowing cannot always understand why his bank is so short of funds that he must put up with a smaller loan than he requested. Nor can the home builder or merchant or consumer. Nor, for that matter, can the banker.

To each participant in the economic process, a shortage of credit appears in the first instance as a restriction on his own opportunities. When the Government has been restraining the growth of credit, it seems natural to blame the Government for a failure to accomplish all that had been planned.

What individuals who reason in this fashion fail to realize is that the basic shortage under conditions of high prosperity is on the side of physical resources, not on the side of money or credit. If credit on easy terms were available to everyone at a time when the economy is already working close to capacity, the consequence would be a scramble for limited resources and a cumulative bidding up of prices. If taxes were simultaneously reduced or expenditures increased, this inflationary process would only be speeded up. A government that sought to prolong prosperity by such devices would be taking a road that all too often has ended in disaster.

This year we have met the challenge of prosperity by avoiding such illusory solutions. Once it became clear that the economy was approaching full employment and that speculative tendencies were emerging, the Federal Government began applying restraints, gradually and yet firmly enough to curb the excesses that so easily arise in a time of prosperity.

A unified program, involving actions by numerous agencies, was put into effect, with a view to moderating the growth of private credit, protecting its quality, maintaining taxes and bringing expenditures into better balance with revenues. Since the requirements of our national security put severe limits on reductions in federal expenditure, a heavy emphasis of necessity fell on monetary policy.

Thanks to these measures, although we have not escaped entirely the excesses of prosperity during the past year, we have succeeded to a considerable degree in keeping them in check. Let me mention several salient facts:

First, the widespread tendency toward increasingly liberal credit terms, which existed several months ago, has apparently run its course.

Second, some improvement in the quality of new mortgage loans is now under way. The same is true of the consumer installment loans being made by some important lenders, though by no means all.

—USN&WR Photo

ARTHUR F. BURNS
"Employment is high. Profits are satisfactory"

Third, the growth of brokers' loans has been moderate and in recent months has stopped.

Fourth, although the total expansion of loans by commercial banks and other financial institutions has been continuing at a rapid rate, the loan funds are coming preponderantly from past and current savings, not from newly created money. Even allowing for seasonal factors, the sum of demand deposits and currency in the hands of the public increased only 2 per cent between the first of this year and the beginning of September.

Fifth, the average level of prices has continued to move within a narrow range. While the prices of some industrial materials have of late risen spectacularly, the average of industrial prices is merely 2 or 3 per cent above a year ago.

(Continued on page 50)

Indianapolis

. . . center of diversified industry

If you are looking at plant locations, look *twice* at Indianapolis. No matter what products you make, the *diversified* industry of the Indianapolis area provides fabricators and processors of materials, components and parts your production may require.

The Indiana National Bank

. . . your "gateway to business" in Indianapolis

This bank has the connections, as well as the facilities and capacities, to serve you well—commercially and personally. Total resources exceed $400,000,000. When you think in terms of Indianapolis, think of Indiana's No. 1 bank . . . The Indiana National.

• *Serving banks and businesses in Indiana since 1834*

"The nation's expanding income is being shared widely among the people" . . .

The average of all wholesale prices has risen still less and the average of consumer prices has remained almost perfectly steady.

These are significant signs of progress in the struggle to maintain conditions of sustained prosperity in our times. If they are not conclusive with respect to the immediate future, we also must attempt to see economic developments in a larger perspective.

How the Economy Grows

Across the years, many factors have been quietly adding to the strength of our economy, and the current expansion is fundamentally an expression of their cumulating force.

I need only mention the upsurge of population, the growth of scientific knowledge, the onrush of technology, the rapid obsolescence of what we used to regard as fixed capital, the development of investment budgets by industry, the improved control over inventories, the intensified pace of business competition, the broadening of the middle class, the insistent desire of people to earn more and live better, the development of mass markets to match mass production, the rebuilding of the Western world, the general recognition of Government's responsibility in helping to maintain a stable prosperity and the growing understanding of people that public policy must protect economic incentives if enterprise, innovation, and investment are to flourish.

These factors are and will continue to be basic to our progress, but I think four elements of strength are especially noteworthy in the current situation.

In the first place, our recent expansion has been achieved predominantly through the activities of private citizens, not by extensive spending programs of the Federal Government. Between the second quarter of 1954 and the third quarter of this year, the annual rate of federal spending on goods and services was reduced by about 3 billion dollars. In the meantime, the rate of consumer spending increased by 19 billion, the rate of private investment increased by nearly 15 billion and the rate of State and local spending rose another 3 billion.

If we go back to 1953, the reduced reliance of our economy on federal expenditures becomes still clearer. Between the second quarter of that year and the third quarter of 1955, the annual rate of federal spending on goods and services declined by over 15 billion dollars, while spending by the rest of the economic community increased by 37 billion. Thus, in the short span of two years, a substantial transformation of our economy has taken place. On an increasing scale, Americans have taken the initiative to make jobs for one another, instead of relying on the Federal Government to do it for them.

The nation's expanding income is being shared widely among the people, and that is another pillar of our current prosperity. We are avoiding excessive concentrations of spending power. The earnings of urban workers have of late risen generally and appreciably. Farm proprietors, on the whole, have been less fortunate in their main pursuits, though many are sharing in the increase of employment opportunities off the farm. Labor income—that is, the sum of wages, salaries, Social Security benefits and related payments—amounted to 75 per cent of the total disbursement of personal incomes in the first quarter of 1954. Since then, this fraction has risen to 76 per cent and is now higher than it has ever been.

Another factor of strength in the current situation is that, except for the agricultural commodities which have piled up in governmental warehouses, inventories generally bear a favorable relation to the nation's business. The recovery in production has been accompanied by an increase of manufacturers' inventories, but the preponderant part of the increase has been in goods locked up in the productive process.

There is little evidence of speculative accumulation of inventories of raw materials or finished goods by either manufacturers or distributors. Although the nation's aggregate business is now significantly larger than at the peak of 1953, the inventory holdings are smaller.

Even the new cars in the hands of automobile dealers, which a while ago seemed excessive, are now below a month's supply. The inventory position of the housing industry is also broadly favorable, despite the extensive boom in residential building. True, there has been overbuilding in a few local areas. But in the nation as a whole, the vacancies now available are only about 2.3 per cent of the total stock of dwellings. This figure is somewhat higher than it has been in recent years, but nevertheless falls short of the reserve that people need to shift their housing accommodations without excessive trouble.

Still another favorable factor is that the current expansion has been occurring in an environment of growing production and trade in the free world. Western Europe, in particular, has gained a level of

. . . "Program of restraints could be carried too far"

economic well-being hitherto unknown on the Continent. Production and incomes have been rising rapidly.

Unemployment has virtually disappeared in Great Britain, and is low everywhere except in Southern Italy. Barriers to dollar trade and currency movements have become fewer and less onerous. Private enterprise and competitive markets are again widely respected. These improvements in conditions abroad have been reinforcing our prosperity at home.

We must recognize, however, that in an economy like ours, poised on a high plateau, neither the threat of inflation nor of recession can ever be very distant. We live in a world in which the sources of economic change, both domestic and foreign, are many. When both our political parties joined in the Congress to pass by an overwhelming majority the Employment Act of 1946, we in effect resolved as a people to travel henceforth the narrow road that separates the swamps of recession on the one side from the cliffs of inflation on the other.

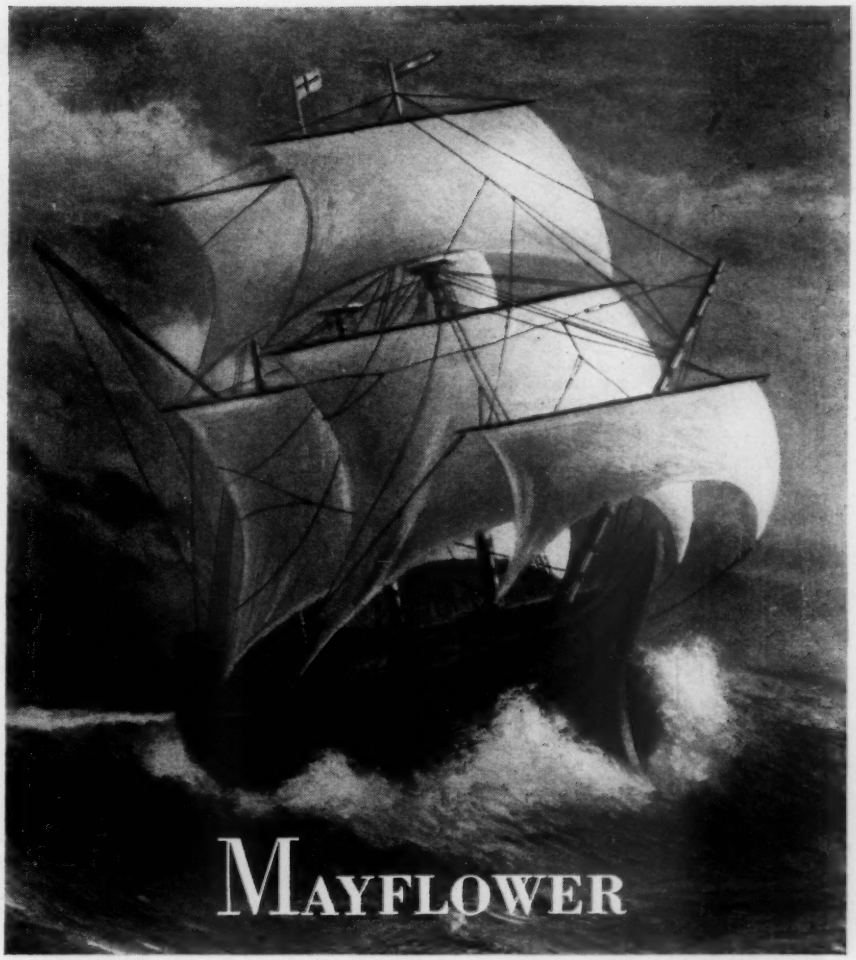
Policies for the Future

If we are to stay firmly on this narrow road, the Federal Government must pursue monetary, fiscal and housekeeping policies with skill and circumspection. That means, among other things, that we must be alert to changes in economic conditions and be ready to adapt our policies promptly to them. A program of monetary and fiscal restraints could be carried too far, just as it could stop short of what is needed.

Such policies are means to the attainment of a stable prosperity, not ends in themselves. The only rigidity that we can afford to admit to our minds is the principle that the best way to fight a recession is to prevent it from occurring in the first place. That principle has, of late, ruled—and it must continue to rule—our governmental policies.

I stated earlier that our gross national product has reached an annual rate of 390 billion or better. We have thus arrived at the threshold of a 400-billion-dollar economy.

The challenge posed by today's prosperity is to cross this line and go well beyond it. We may be confident of doing so in the near future if public policies continue to encourage individual initiative and enterprise, if they continue to reckon with the humanitarian impulses of our age and if private citizens, together with their Government, continue to resist courageously any tendencies that may develop toward either recession or inflation.



Today . . . As Then . . . the Best Way to Move Long-Distance

The Mayflower of today is *your* Mayflower. It's the great, nation-wide system that makes long-distance moving of household goods *safe* and *easy*. It's at your service, and at your company's service to take the work and worry out of moving. That's what you want . . . that's what your employees want. Mayflower assures it for both of you. That's why, today, so many companies rely on Mayflower for their personnel moves. Why not check your organization now to see that Mayflower is consulted whenever there's long-distance moving to be done.

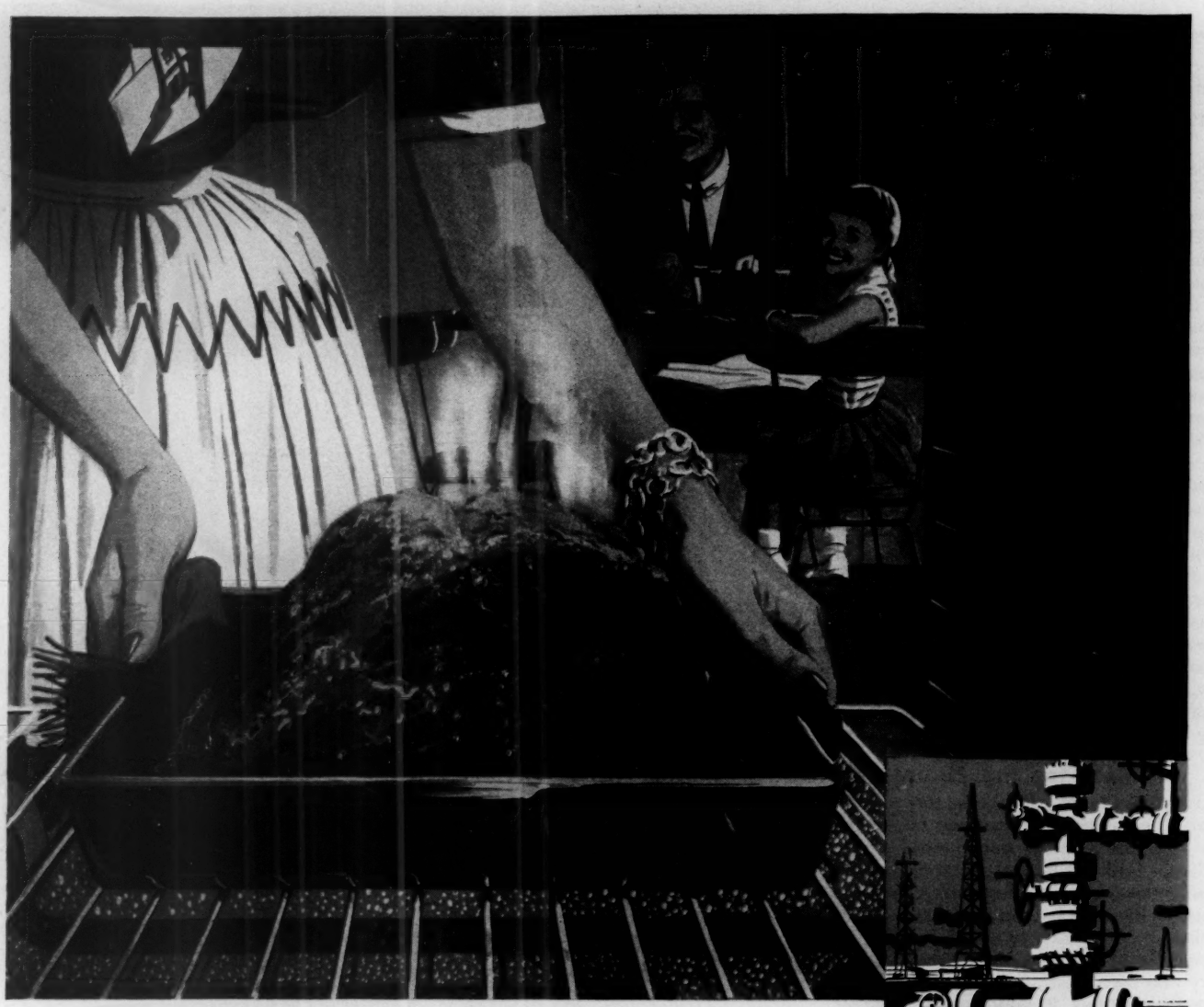
AERO MAYFLOWER TRANSIT CO., INC. • INDIANAPOLIS

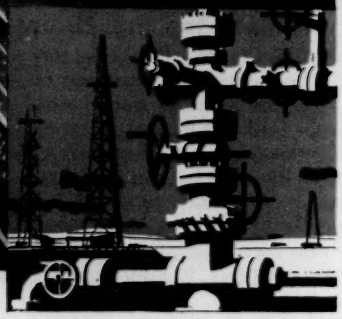
Mayflower's organization of selected warehouse agents provides on-the-spot representation at the most points in the United States and Canada. Your local Mayflower agent is listed in the classified section of your telephone directory.

AERO Mayflower

America's Finest

NATION-WIDE FURNITURE MOVERS





J&L Steel pipe serves the gas industry in the field . . . and in your home.

perfect...as usual

thanks to steel pipe and gas

Consider, for a moment, the gas heat that brings this roast beef to its flavor peak.

How does such a remote commodity as natural gas, buried deep beneath the earth, flow freely—at a finger's touch—into the preparation of this delicious meal?

One good answer lies in the dependable performance of J&L Steel Pipe. J&L Steel Drill Pipe, Casing, Tubing, Line Pipe, and Standard Pipe are all at work for the gas industry. They help recover gas from underground, transport it in the field, and deliver it into your home.

Extensive research, rigid testing, and complete control of every step in production enable J&L to supply the safety-minded gas industry with tubular products of the highest serviceability.

Jones & Laughlin

STEEL CORPORATION — *Pittsburgh*

Hot and Cold Rolled Sheet and Strip • Tin Plate • Tubular Products • Plates, Structurals, Hot Rolled Bars • Hot Extruded and Cold Drawn Bars • Wire and Wire Products Alloy Products • Electricweld Tubing • Wire Rope • Steel Containers • Coal Chemicals

Look to J & L...for the steels that work for modern industry

Worldgram®

FROM THE CAPITALS OF THE WORLD

PARIS....TANGIER....CASABLANCA....

>> Gone, now, is all the optimism about the world's future. Instead.....

"The ostrich act is over," said a top Western official. "We are pulling our heads out of the sands of 'Geneva spirit' to see what's left of 'cold war.' It's still there. In fact, it looks more insoluble than ever."

>> Looking around, getting set to negotiate again with Soviet Russia, the Western leaders see shooting wars aplenty. Some are old. Some are new.

Moors vs. Frenchmen. That is "hot war." Berbers fight French troops.
Algerians vs. Frenchmen. Best part of the French Army is in North Africa.
Egyptians vs. Israelis. That turns hot and cold. Now Russia is moving in.
Britons vs. Chinese Communists. In Malaya, they still shoot it out.
Laotians vs. Communists. That's a "hot" guerrilla war in Indo-China.
Burmese vs. Communists. There, too, Communist rebels keep shooting.
Chinese Nationalists vs. Reds. Guns speak again in the Formosa Strait.

>> There are even more cold wars. Some involve shooting. Some don't.

Korean Republic vs. Red Korea. No peace there yet and much tough talk.
South Vietnam vs. Red Vietnam. Big war in Indo-China may start here again.
Indonesia vs. the Netherlands. Both claim Western New Guinea, now Dutch.
Britons vs. Singapore's Reds. Communist-led students terrorize the city.
India vs. Portugal. India is out to get Portugal's colony of Goa.
India vs. Pakistan. No shooting in Kashmir now, but no agreement either.
Saudi Arabia vs. Britain. Desert raids and bribery over an oil-rich oasis.
Israel vs. Jordan. There is shooting, off and on, over water rights.
Greece vs. Britain and Turkey. They're arguing over the future of Cyprus.
France vs. Spain. Spain's Government sides with Morocco's rebels.
Saar vs. France and Germany. Saar voters may upset a Franco-German deal.
West Berlin vs. Communists. There's talk of a new Red "Berlin blockade."
Soviet Russia vs. the Western powers. That's still the big cold war.

>> Remember all the shouting about the "Geneva spirit" last July? Well.....

Cause of rejoicing then was threefold. There was a public statement, at the "summit," that neither Soviet Russia nor the U.S., Britain and France intended to wage atomic war. There was a definition of the basic problems of the cold war. There was a pledge to seek solutions for these problems at the working level of the foreign ministers at a later date. That date is close at hand.

>> Cause of alarm now is the present status of the three basic problems of cold war as defined at the "summit" meeting. They look no easier to resolve.

(over)

Problem No. 1 is the unity of Germany. That requires more freedom for Communist East Germans. But Moscow says East Germany is not negotiable.

Problem No. 2 is European security. That, says Moscow, means the dissolution of the North Atlantic Treaty Organization, the withdrawal of all American troops from Europe. NATO, the U.S. and its allies say, is not negotiable.

Problem No. 3 is disarmament. Russia has made a few propaganda gestures on that--nothing more. Now Soviet agents are peddling arms to Arabs, encouraging shooting. Wars useful to Moscow, it seems, are not negotiable.

>> Watch North Africa. Trouble there can get out of hand for the West.

Already a vote in the United Nations to talk about Algeria has won friends for Russia, has alienated allies in the West. NATO unity was split when Greece voted against France. U.S., voting not to talk about Algeria, found some American republics voting on the other side. France staged an angry walkout.

Soviet strategy, in voting to discuss Algeria, involves a calculated risk. An irate French Premier canceled his plans to visit Moscow. But the Arab governments were pleased. In Moscow's book, new friends in the Arab world today are worth more than a wobbly French Premier's promise of a visit tomorrow.

>> Arabs and Berbers fighting the French are reviving an old battle cry.

"Maghreb" is an Arabic word meaning "western lands." To Moslem natives of North Africa that is the name for Morocco and Algeria. To Frenchmen, Morocco is a French protectorate, but Algeria, for 120 years, has been "an integral part of France itself." To native leaders, all this is "Maghreb."

In Cairo, the leaders of Moroccan and Algerian rebels announced a unified Maghreb Liberation Army. It ignores the frontiers drawn by Frenchmen.

>> A strange alliance is building on the rebel side in North Africa.

"Ben Bella" is the fighting name of the commander of the Maghreb forces. He is a native who learned about war as a warrant officer in the Free French Army during World War II. Now he commands the guerrillas fighting the French.

Abd el Krim, the 74-year-old Berber rebel who fought and all but defeated Spain in Morocco, but then was defeated by France 30 years ago, is active in Cairo. There he helps Arab leaders recruit anti-French fighters and agitators.

Franco Spain, in its little zone of Morocco, is tolerating, if not aiding, the rebels. Nador, on the Spanish Moroccan coast, the French say, is a rebel center for guerrilla fighters in the Riff and Atlas mountains of North Africa.

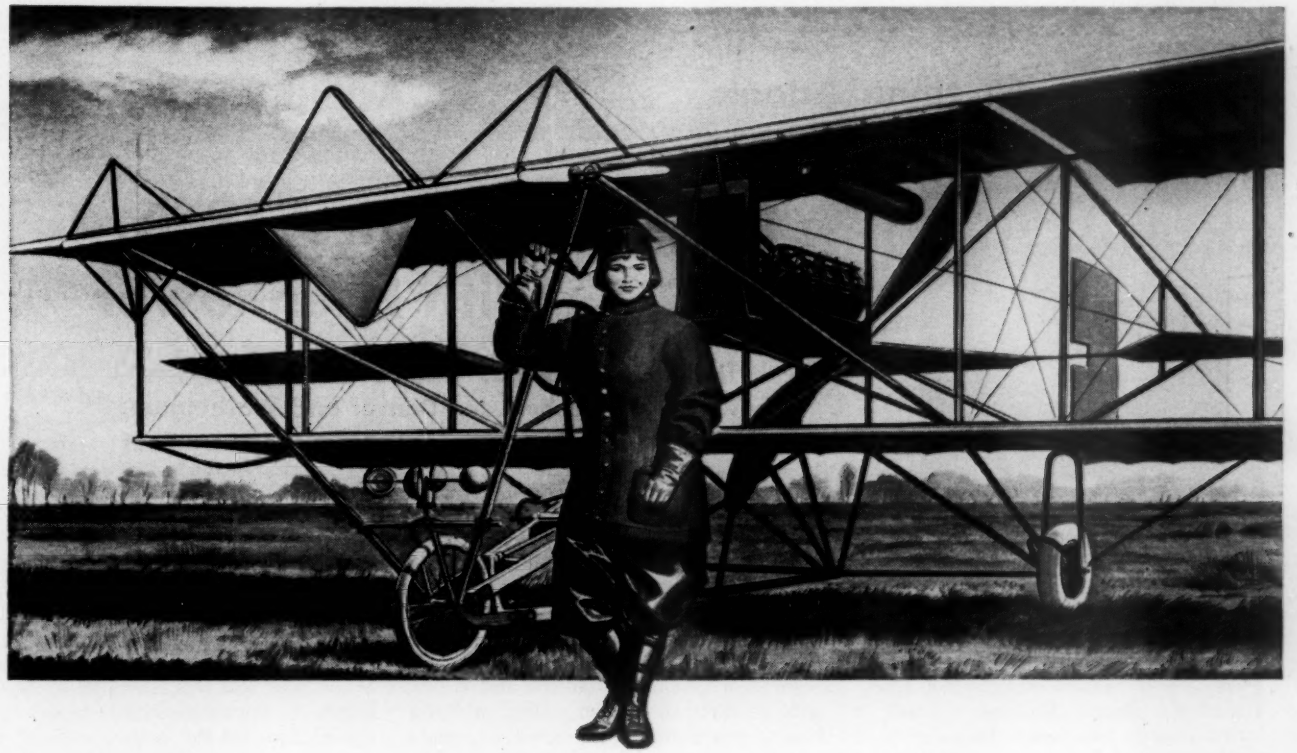
Soviet Russia is promoting war through French Communists who are encouraging revolt in Algeria, through Czechoslovak salesmen who are peddling arms to Egypt, through Soviet diplomats who are championing the Arab cause.

>> The Saar is a rich little valley, smaller than Rhode Island, that has produced coal, steel and crises for France and Germany after two world wars.

A free vote by Saarlanders 20 years ago gave the Saar to Nazi Germany. Now, on October 23, the Saar votes again. A dangerous upset is likely.

The issue, this time, is whether the Saarlanders, fewer than a million in all, will accept a deal between France and Germany for international rule.

Saarlanders have the last word. Most want unity with Germany, may reject the deal. If they do, France and Germany will be at odds again. And the Western Alliance, once more, will be coming apart at the Franco-German seams.



The Young Lady on the Flying Trapeze

On September 2, 1910, Miss Blanche Scott, "an attractive and well-built aviatrix of Rochester," made the first solo flight by an American woman. Her plane, much like the contraption above, contained tricycle gear and an anemometer over the nose wheel (probably to tell the pilot when he was moving ahead), ranked as a mechanical marvel of the era.

We salute the courage of early-day flyers in embarking in these open-plumbing masterpieces, and regret BEECHCRAFTS were not available in those days. We would have liked to have offered demonstrations of the comfort, convenience and safety that modern-day pilots accept as a matter of course.

The pioneer flyers, like you, would have admired the air conditioned comfort, the quietness, and the simplicity and ease of control of the Bonanza while cruising at 184 miles per hour to wherever you want to go.

And remember (this is important) — statistics prove that corporation aircraft are now more than FIVE TIMES safer than automobiles, measured by accident fatalities per 100 million occupant-miles.

To hear more, get in touch with your BEECHCRAFT dealer or distributor, or write to Beech Aircraft Corporation, Wichita, Kansas.

★ ASK ABOUT BEECHCRAFT'S NEW EXCLUSIVE LEASING PLAN.

BEECHCRAFTS ARE THE AIR FLEET OF AMERICAN BUSINESS

THE MAN ... Sherman Adams **THE NEWS ... Acting President**

—USN&WR Photo

If It's O. K. With Adams, It's O. K. With Eisenhower

They're calling Mr. Adams "acting President" now. He shuttles between Denver and Washington, making decisions, overseeing the entire Government operation, while Ike convalesces.

Reported from
DENVER and WASHINGTON

FOR THE DURATION of President Eisenhower's illness, Sherman Adams, a taciturn and sometimes brusque New Englander, has become, for all practical purposes, the "acting President" of the United States.

Mr. Eisenhower's heart attack brought Mr. Adams hurrying home from a European holiday. He paused briefly in Washington to get lines of authority clear, then sped on to Denver, brushed reporters aside with a typical "I don't hold press conferences" and set up shop as operating head of the Government.

The President wants it that way. He is accustomed to leaning heavily upon Mr. Adams. Word of the latter's arrival obviously cheered him, gave him a new feeling of reassurance and confidence. It meant that things would work much as they had in Washington, that the White House staff, now seasoned and smoothly meshed, was in operation as usual.

Arrival of Mr. Adams was a relief, too, to the very small group of White House people in Denver. James C. Hagerty, Press Secretary and ranking official at the summer White House in the first days of Mr. Eisenhower's illness, gladly packed up all the official business he had been handling and placed it on Mr. Adams's desk.

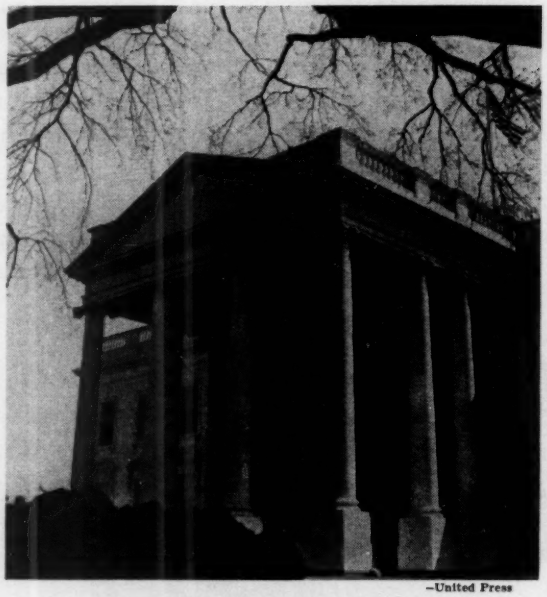
This desk, of an unornate, work aday variety, is in a small office on the second floor of the Lowry Air Force Base administrative building, across the hall from the room that was Mr. Eisenhower's working headquarters before his illness. Mr. Adams, arriving with no personal staff or office help, borrowed a secretary and went into action.

Mr. Adams's powers. In Washington, Mr. Adams, whose title is Assistant to the President, has great powers. He screens documents, problems and issues, gets conflicts of opinion settled at lower levels, sees that only the most important questions go to the President. When a document bears Mr. Adams's "O. K.—S. A.," Mr. Eisenhower signs without hesitation.

It has been working the same way in Denver. When Mr. Adams arrived, the President was being prepared for sleep. A routine but necessary document dealing with State Department personnel awaited presidential initialing. It was thought best that the President's physician, Maj. Gen. Howard McC. Snyder, take the paper to him. Dr. Snyder did so, told Mr. Eisenhower that Mr. Adams had arrived and approved the document. The President smiled and signed his full name.

As Mr. Eisenhower's strength increases, Mr. Adams sees him from day to day. He brings in noncontroversial papers to be signed, but, for the present at least, only those on subjects that would not be taxing to the Chief Executive. One of them was a letter asking Vice President Richard M. Nixon to continue presiding at meetings of the Cabinet and the National Security Council.

Mr. Adams also plans to attend those meetings, flying to Washington for two days each week. For the time being, there is no expectation that he will be carrying presidential ideas and comments to these sessions. As Mr. Eisenhower improves, however, that probably is to be the case.



—United Press

THE WHITE HOUSE
. . . the chain of command leads to Denver

Decisions. Numerous questions must be settled in the weeks ahead without troubling the President. To that extent, Mr. Adams's powers are considered to have been increased. And, if some great crisis should arise that could not be taken to Mr. Eisenhower, the expectation is that Mr. Adams would make the decision. Throughout the Government, his word has come to be accepted as a command from the President.

But Mr. Adams's power is exercised largely through the White House staff. He has only to lift his telephone to be connected with the White House switchboard, and through it with the staff, or any agency of Government. The staff, itself, is largely his creation and he is its boss.

Top staff man in Washington now is Maj. Gen. Wilton B. Persons, the Deputy Assistant to the President. He is an old Army friend of the Chief Executive, a man with a gift for pithy comment, and one who knows Washington and politics.

He ran the White House during Mr. Adams's six weeks' vacation abroad, and is credited with relieving the President of much work, and with steering many would-be visitors away from Denver.

Specialty of General Persons, however, is liaison with Congress, urging Administration legislation through to passage, seeing to it that, so far as the White House can do so, Republican Congressmen are kept happy and their complaints remedied. Where Mr. Adams is often aloof, curt, unapproachable and has no time to listen, General Persons is jovial, ready to listen and reassuring. With several assistants, he will return to the congressional task with the new session.

Important duties fall upon Col. Andrew J. Goodpaster. He is secretary to the staff and Mr. Adams's right hand. In normal times, he is in and out of the President's office at least once a day. He is completely conversant with developments in all fields, even the most secret, and completely informed on the reactions of the President and Mr. Adams to them.

As questions arise, Colonel Goodpaster and his own small staff, working with Mr. Adams, decide how they shall be handled, which staff members and what agencies shall be consulted. Letters and problems from inside and outside the Government go through him.

Gabriel Hauge has been one of Mr. Eisenhower's principal advisers on economic matters since early in the 1952 campaign. The President puts much weight on his counsel. He is consulted on farm issues, power matters, housing problems, mortgage and credit policy. He works closely with the Treasury and other agencies dealing with this field and also with Arthur F. Burns, Chairman of the President's Council of Economic Advisers.

Dr. Burns is considered the "weatherman" of the U. S. economy. He keeps a close watch on economic statistics, determines trends, makes policy recommendations. Dr. Hauge and Dr. Burns, who generally see things alike, usually report weekly, together, to the President. Now, it is to be to Mr. Adams.

Other fields. Dillon Anderson, a former Houston lawyer, is in charge of all matters relating to national defense and foreign affairs. He is head of a sub-Cabinet group that prepares questions for discussion by the National Security Council, normally briefs the President on them.

Prior to the President's illness, Mr. Anderson flew to Denver before and after each NSC meeting to obtain Mr. Eisenhower's views, report them to NSC and give the latter's ideas to the President.

Mr. Eisenhower has come to turn to Nelson Rockefeller, a Special Assistant to the President, for counsel in several fields. Mr. Rockefeller's job, however, is psychological warfare, determining the propaganda uses that are to be made of international developments as they come along.

Fred Seaton, a former Senator from Nebraska, is—under Mr. Adams, who makes final decisions in this field—in charge of patronage, especially top-level appointments. Vacancies must be filled regardless of Mr. Eisenhower's condition. Within a fortnight after his attack, the President was signing appointments, with, of course, Mr. Adams's concurrence.

For the rest: Maxwell M. Rabb is Secretary to the Cabinet, prepares its agenda and also deals with problems relating to minority groups. Kevin McCann, Mr. Eisenhower's biographer and an old friend, is intimately informed on the President's views, and writes or super-

(Continued on page 58)

THESE MEN ARE RUNNING THE WHITE HOUSE NOW

GENERAL PERSONS
Link to Congress

COLONEL GOODPASTER
Staff secretary

GABRIEL HAUGE
Watches business trends

ARTHUR F. BURNS
Economic adviser

DILLON ANDERSON
Defense expert

NELSON ROCKEFELLER
Special assistant

MAXWELL M. RABB
Cabinet secretary

FRED SEATON
Patronage guardian

—USN&WR, Wide World, Harris & Ewing, United Press

How a Baltimore Business Form keeps them selling

AT ABERCROMBIE & FITCH CO. NEW YORK CITY

Over the years, Abercrombie & Fitch Co., famous New York sports specialty store, has worked closely with Baltimore Business Forms with one purpose paramount: improving the store's salesbooks to reduce time consumed in filling them out, and to give the store's salespeople more time for actual *selling*.

First improvement, made some time ago, was to redesign sales checks so that printing runs across the greatest dimension—eliminating the problem of filing tall, narrow slips. This has been further improved by the use of NCR paper, which permits writing copies *without the use of carbon!* Hands don't get smudged; no time is lost interleaving carbons—the salesperson completes the sales check more quickly and gets to the next customer sooner.

What's the next improvement? That's hard to say, right now. But it's a cinch that Baltimore Business Forms will think of something! (Chances are, we can think of something to help *your* forms problem, too. Often one suggestion from us can save literally thousands of dollars. Use the coupon below to write us *today;* there's no obligation, of course.)

The Baltimore Business Forms Company

(THE BALTIMORE SALESBOOK COMPANY)

Saving time and reducing costs in business and industry

The Baltimore Salesbook Company, 3132 Frederick Avenue, Baltimore 29, Md.
We are interested in seeing samples of Baltimore Business Forms.

Name_____

Company_____

Type of Business_____

Address_____

City_____ Zone_____ State_____

. . . Mr. Adams keeps a tight rein on White House work

vises the writing of speeches, letters, documents of all kinds.

To keep the public intimately informed on the President's progress and expanding activities, Press Secretary Hagerty remains in Denver. His deputy, Murray Snyder, is in Washington.

Gerald D. Morgan is Mr. Eisenhower's special attorney and a former member of the legislative drafting service of Congress. He writes proposed legislation and executive orders for the President and goes over bills passed by Congress before they are signed. Bernard M. Shanley, Appointments Secretary, has little to do these days, but will become highly important later as the man who keeps the President's calling list to a minimum.

The activities of all these men and of others who are special consultants, or assistants to the staff members, head up to Mr. Adams.

Supervisor role. Mr. Adams, 56, keeps a close, tight rein and constant watch on all activities. He has frequently been under attack, especially by Republicans of the so-called "conservative wing," who feel they have been rebuffed or contend that he has "isolated" the President.

However, the presidential assistant has Mr. Eisenhower's complete trust and confidence, a relationship that began early in the 1952 campaign. As Governor of New Hampshire, Mr. Adams helped General Eisenhower win the first of that year's presidential-primary elections, and later campaigned at his side.

At Denver, Mr. Adams lives in a cubicle at the Lowry Base's bachelor officers' quarters. He is up by 6, breakfasts at an Air Force mess and, by 7, is at his desk. From then until noon, he is ceaselessly busy, checking over papers, deferring those that need not go to Mr. Eisenhower, calling staff members in Washington to follow up assignments he has given them.

Mr. Adams lunches about 12, again at the Air Force mess, and then is back at his desk until 3. At that hour he usually goes to the hospital. There he visits with Mrs. Eisenhower and confers with the doctors to see whether and for how long he may see the President.

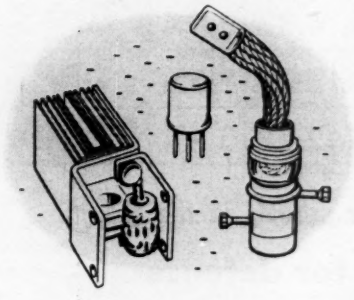
Neither the Constitution nor the laws of the land contemplate the title or office of "acting President." Mr. Adams himself would be quick to deny that such is his job. He is in Denver, he says, chiefly because of his "knowledge of how matters are being handled in Washington." But, in view of all the circumstances, there is a general agreement that "acting President" now describes Mr. Adams's duties and activities.

A symphony in your palm

Now, thanks to a rare metal called *germanium*, an amazing semiconductor material, you can take your favorite radio program with you wherever you go.

By replacing bulky vacuum tubes with streamlined germanium transistors, radio manufacturers are greatly minimizing overall weight and size, yet increasing efficiency, decreasing power demand and maintenance. And other electronic manufacturers are finding equally important applications for germanium semiconductors—in products that range from hearing aids to complex computers.

Because raw materials used in semiconductor products must be of the highest purity and uniformity, manufacturers of transistors and rectifiers turn to Eagle-Picher, the nation's first and principal source of germanium. They rely on Eagle-Picher for rigid quality control geared to meet their exacting specifications.



Germanium is among hundreds of Eagle-Picher products for homes and broadly diversified basic and growth industries.

Divisions and principal products . . . **MINING & SMELTING DIVISION**, zinc, lead, germanium, cadmium—**INSULATION DIVISION**, aluminum combination storm windows and doors, mineral wool insulations, diatomaceous earth products—**PIGMENT DIVISION**, lead and zinc pigments and oxides—**FABRICON PRODUCTS DIVISION**, automobile products, plastics, waxed paper and cellophane food wrappers—**OHIO RUBBER COMPANY DIVISION**, molded and extruded rubber products. *We welcome opportunities to share our research, production and application experience. Just drop us a line.*

Since 1843

EAGLE EP PICHER

EAGLE-PICHER

The Eagle-Picher Company • General Offices: Cincinnati 1, Ohio

Special Report

(This article represents the result of an extensive research on a problem of outstanding importance.)

"GRASS ROOTS" REPORT ON THE SCHOOL JAM

It is beginning to dawn on people how serious the school problem is. Debate over what to do is nearing a showdown.

Higher taxes seem certain.

New reports from States show why the public is aroused, what plans are taking shape.

Mounting resentment and concern over crowded and otherwise unsatisfactory conditions in public schools are reaching a new pitch this autumn.

A showdown is expected in the near future. It will hinge on the big question of how to raise extra billions of dollars to build more schools and hire more qualified teachers.

Official figures indicate the public schools need at least 20,000 more classrooms to relieve overcrowding. In addition, they need to replace, according to some estimates, more than 140,000 rooms that are makeshift or badly outmoded. Included in this category are buildings without plumbing, those without modern heating, others that are worn out, structurally weakened or potential "tinderboxes."

To care for shortages and replacements on such a scale would take decades, at the rate schools are being built.

Classrooms aren't the only problem. The schools are using an estimated 141,300 teachers who have less training than State regulations say is needed.

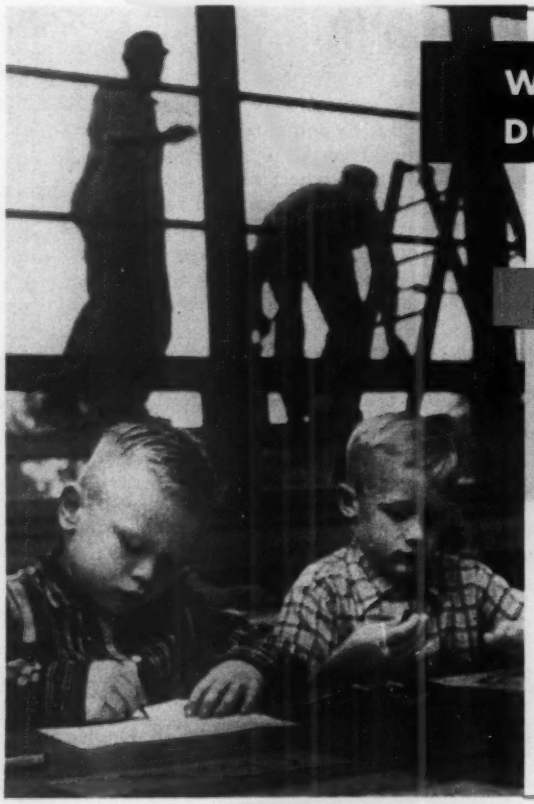
New evidence on these problems is being gathered by the Federal Government in preparation for a White House conference on education to be held next month. Local, State and territorial meetings of parents, businessmen, teachers and educators are being held and reports are being sent to Washington. These show how school conditions appear at the "grass roots."

Missouri reports: "Church buildings, city halls, unused store buildings and other makeshift facilities are frequently used to provide for the overflowing school population." About one third of the State's 15,000 classrooms are considered overcrowded. They have more than 35 children per class.

Minnesota estimates that 31 per cent of its schools are more than 50 years old. To replace outmoded and unsafe buildings and, at the same time, care for new children would take 3,000 new classrooms per year, about 1,000 more than the present rate of construction.

The State of Washington says it needs 2,811 more classrooms than it has. More than 37,000 children are in "emergency facilities." Nearly 6,000 are going to half-day school sessions.

New Hampshire figures only 125 of its 505 school buildings are good for 20 years or more of use. More than 300 should be abandoned "as soon as possible," a State conference declares. The State has 123 one-room schools.



WHEN PEOPLE SPEND THEIR MONEY, DO SCHOOLS GET A FAIR SHARE?

Percentage of national income spent for —	1920	1930	1940	1950	NOW
SCHOOLS	1.7%	4.2%	3.9%	3.7%	4.3%
New autos	4.3%	3.3%	4.8%	6.0%	6.9%
Roads	1.3%	3.0%	2.7%	1.5%	1.9%
Defense	3.2%	1.1%	2.2%	5.4%	12.8%

SO for each $1.00 spent for schools in the U.S.—

$2.96 is spent for defense

$1.60 is spent for new autos

45 cents is spent for roads

© 1955 By U. S. News Pub. Corp.

Oregon tells of a "critical" situation in the Portland suburbs.

California says it is short 10,000 classrooms, even though it uses 16,600 that are classed as "undesirable." Many schools operate two half-day shifts.

Sometimes a new school is overcrowded from the day it opens. This happened last month in Fairfax County, Va.; enrollment far in excess of official forecast meant that some pupils had to sit on the floor.

In Washington, D.C., the school superintendent reports one third of the elementary classes have substantially more than 36 pupils each, considered a "standard" size in this city.

Hawaii, short of qualified teachers, finds that would-be teachers are being turned away from college for lack of facilities to train them.

Record building of new schools doesn't seem to be making much of a dent in the classroom shortage. There are too many students showing up each year.

The Government estimates 32,026,000 pupils, 1,352,000 more than last year, will attend public elementary and high schools in the 1955-56 sessions.

About 60,000 new classrooms are being built each year at a cost of more than 2 billion dollars. But about 50,000 of these, the Government says, are needed to take care of increased enrollment. Only about 10,000 are serving to reduce overcrowding and replace schools that burn, become unsafe or are outmoded.

Cost of construction needed to end overcrowding and make needed replacements by 1960 has been estimated at 3 billions a year, almost 50 per cent more than is now being spent.

Reports from the States seem to agree on the need for more building.

Oregon is putting up about 550 classrooms a year and thinks it ought to build from 650 to 750. Missouri's report indicates construction outlays should increase from about 30 million dollars a year to 37 million.

Operating expenses will have to be increased steeply, also, according to most of those reporting.

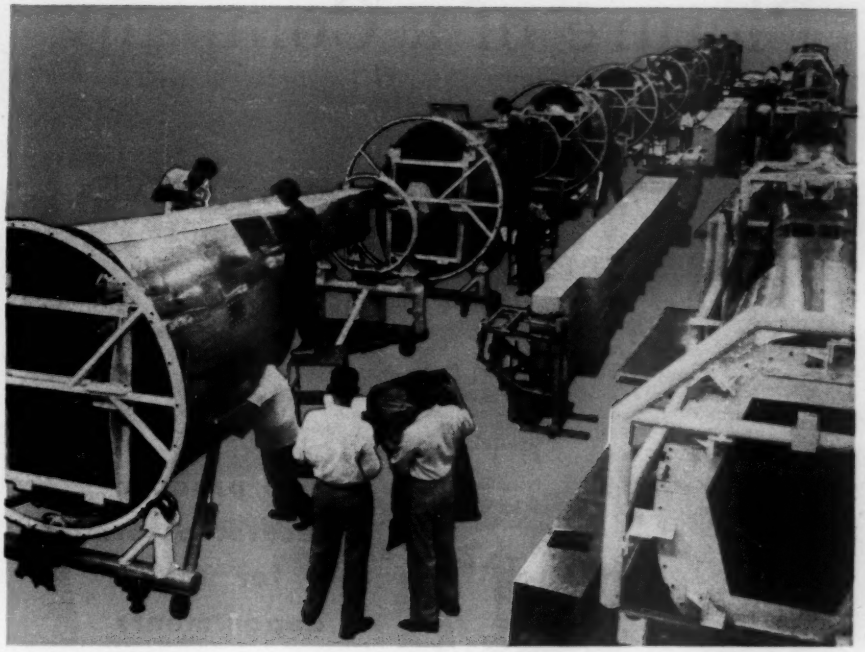
Teacher salaries, almost all reports say, need to be raised, especially the maximum pay a teacher can achieve. In hiring, States find themselves bidding furiously against each other and against business.

New Hampshire feels its pay scales attract people from Maine and Vermont but cause it to lose people to other nearby States. Teachers in Minnesota are said to make less than many factory workers of below-foreman grade.

Parents seem to want more attention given the "three R's"—reading, writing and arithmetic. But they also are anxious to have schools provide guidance in mental hygiene, social adjustment and cultural subjects.

The conference reports say more spe-

(Continued on page 62)

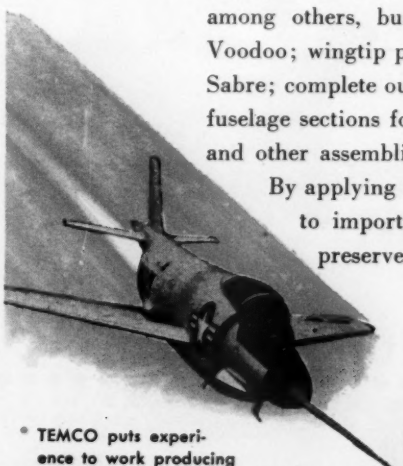


Temco is EXPERIENCED

In its quick-moving, 10-year history, TEMCO has put its experienced sub-contracting skills to work for almost every major U. S. aircraft builder.

Prime contractors like Lockheed, McDonnell, Republic, North American, Boeing, and Convair are today using these TEMCO sub-contracting services on many of the nation's first-line military aircraft. These jobs include, among others, building the aft-fuselage for the F-101 Voodoo; wingtip panels and ailerons for the F-100 Super Sabre; complete outer wings for the P2V Neptune; major fuselage sections for the B-47 and B-52, and aft-fuselages and other assemblies for the F-84 Thunderstreak.

By applying its experience and skills in this manner to important defense work, TEMCO is helping preserve the peace by keeping America strong **— the industry's Number One Job.**



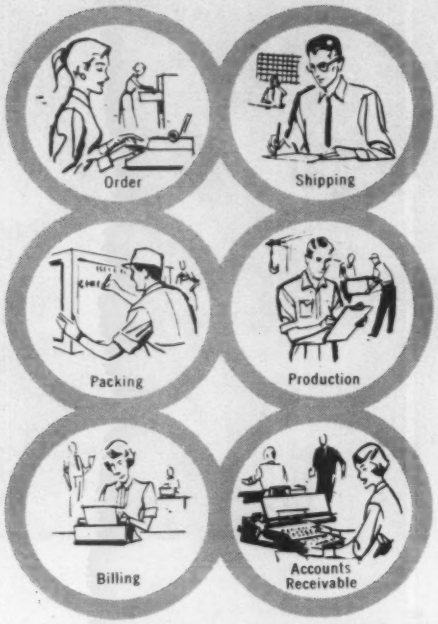
TEMCO puts experience to work producing tooling and assemblies for the F3H Demon, one of eleven first-line military aircraft on its subcontract list.

TEMCO® AIRCRAFT CORPORATION

Dallas 2, Texas

Picture of a Company

(It could be yours)



BEFORE

DITTO

•••••

6 writings

to produce necessary forms for these departments...

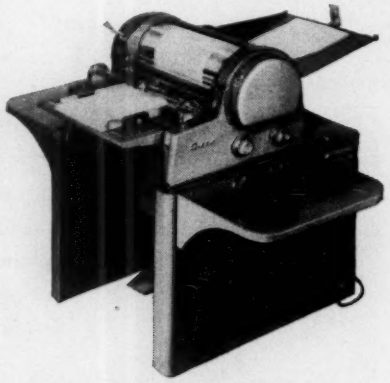
after DITTO® only 1 writing

to produce all forms for same departments.

No Re-writing!

...and this is the DITTO Equipment that does it.

Imagine, every form needed for shipping, billing and even back orders produced without re-writing a single word—a tremendous savings in time, money, and man power. The same is true with purchasing, production, payroll and inventory control. With DITTO THE FIRST WRITING IS THE LAST. And, too, information unnecessary on any form is marked out by simple blockout mechanics. Each department is given the specific information it needs to do a better job, faster. Your company has more efficient control, copying errors are eliminated, money and time are saved. Write today for facts on how DITTO One-Writing systems can help you.



DITTO one-writing system

DITTO, INC.
Chicago 12, Ill.
In Canada: DITTO of Canada Ltd.
Toronto, Ont.
In Great Britain: DITTO Britain Ltd.
London, Eng.

•••••••••••••••••••••••

DITTO, INC., 661 So. Oakley Blvd., Chicago 12, Ill.

At no cost or obligation, please send me complete information on a DITTO One-Writing System for:

☐ Order Billing ☐ Production ☐ Purchasing-Receiving
☐ Payroll ☐ Hospital Admittance ☐ Other_____

Name_____ Position_____

Company_____

Address_____

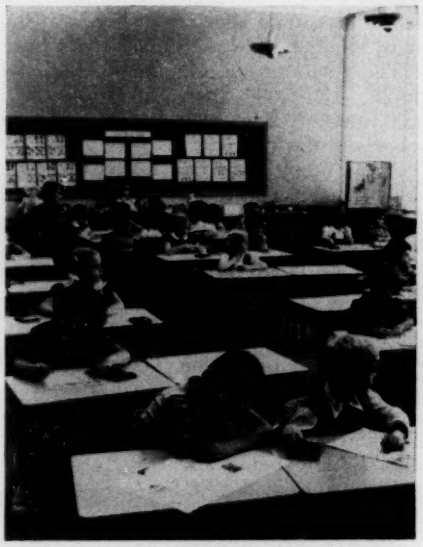
City_____ County_____ State_____

Consolidated schools urged as money savers . . .

cial school programs are needed for handicapped children and for very bright pupils.

All those things cost more money. Economies are urged, also, but without much hope of holding the school costs down.

More mergers of small districts into consolidated schools are being advocated. Minnesota says 420 of its rural schools have fewer than 5 pupils apiece. New Hampshire has 92 high schools with fewer than 24 students. In a time of teacher shortages and crowded classrooms, the



MODERN CLASSROOM
U. S. needs 160,000 more

underpopulated schools are regarded as an extravagance.

How to pay the increased costs is the great unsettled question.

The chart on page 60 shows that the strain of educational expenses really is not much greater than it was 25 years ago, if allowance is made for increased income and inflation. Greatly increased shares of the national income are going for defense and for new automobiles.

Still, the prospect of providing more liberally for schools arouses debate.

A number of State groups think an increase in local taxes is part of the answer. The Minnesota conference, for instance, concludes that most of the extra money needed for construction could be raised by local communities, if they would raise property assessments in line with current market values.

However, New Hampshire feels its local property taxes, which bear almost all the burden of paying for schools, have

. . . Wide debate on how much U.S. aid is needed

gone as high as they should—up 120 per cent since 1945.

New Hampshire, New Jersey, Missouri, Pennsylvania, Michigan and Hawaii, in their reports, are calling for larger contributions from the State and territorial governments. A new State sales tax is suggested for New Hampshire.

On federal aid for schools there is wide disagreement.

Minnesota reports that it "has the resources" to meet its needs. It asks the Federal Government to continue only small grants for school lunches, vocational education and rehabilitation.

Michigan, on the other hand, declares: "When a State, having made a reasonable effort to assist local districts in the financing of school buildings, does not have the wealth to provide funds enough for this purpose, then the Federal Government has the responsibility to supplement State efforts." Missouri feels this way, too.

Other States find the issue harder to decide.

In New Jersey's conference, 14 votes were cast for federal aid, 13 against; about half the conferees abstained from voting.

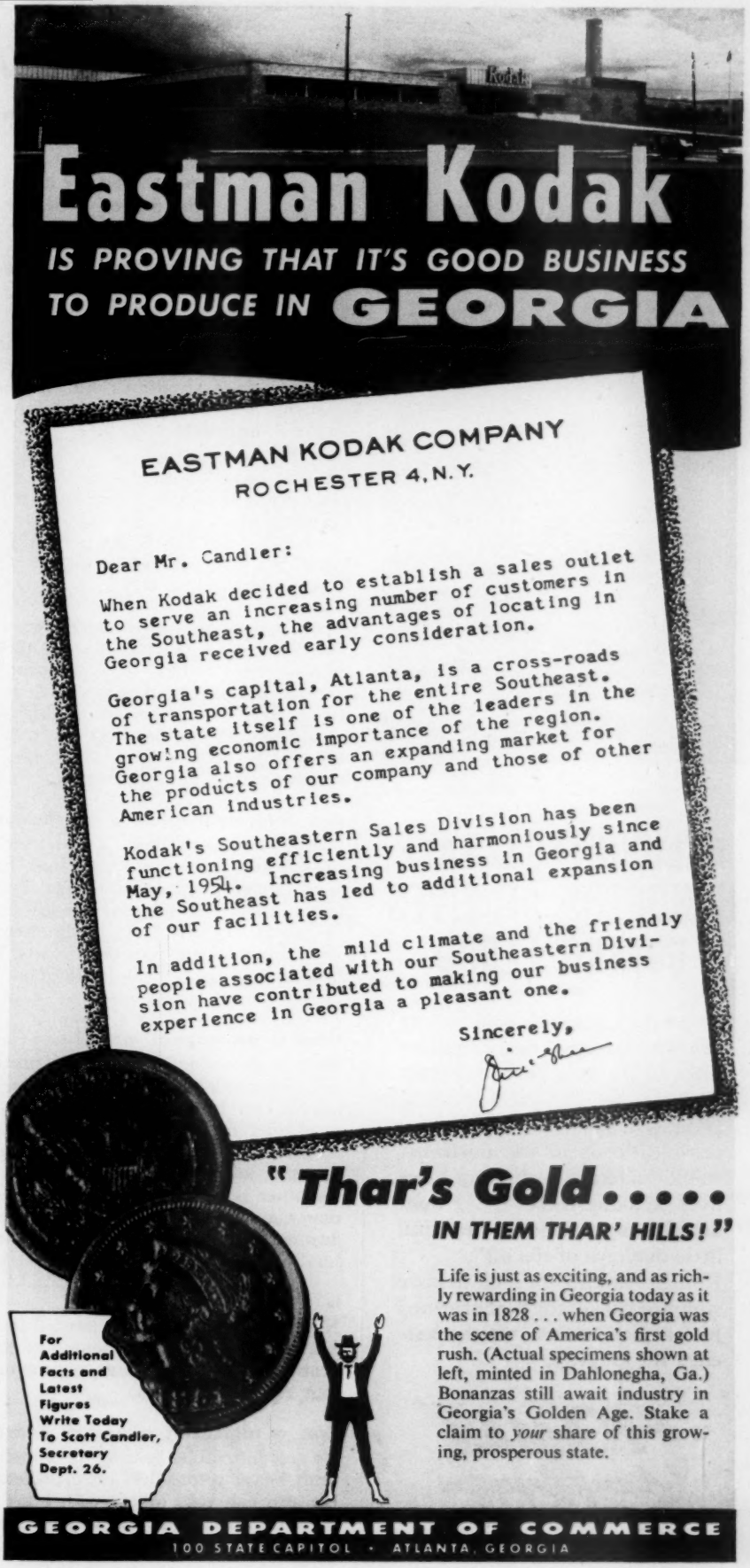
New Hampshire, after reporting a vote in the conference in favor of a State sales tax, notes that: "On federal aid, opinions were more evenly divided, with a majority favoring federal aid for school building, but opposing it for school operation."

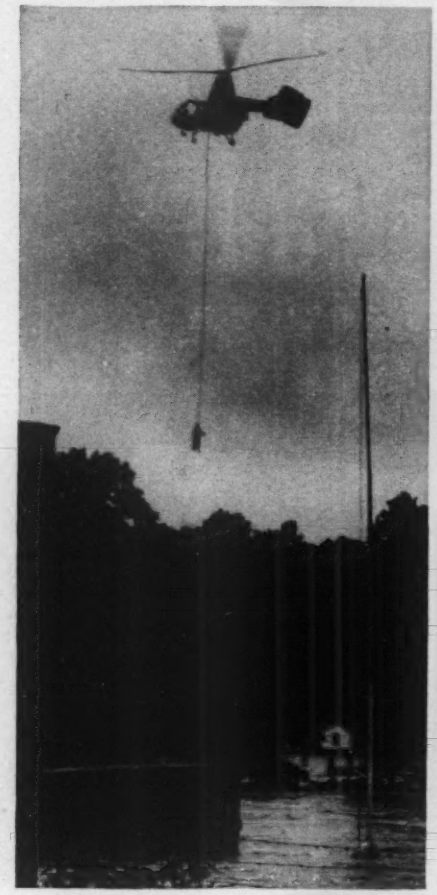
Pennsylvania's conference was "opposed in principle to federal aid," though the vote on one motion split about evenly between those for and against.

At present, the Government is granting about 116 millions in the fiscal year for construction where federal projects cause an increase in school enrollment. A broader, three-year plan has been proposed by President Eisenhower. Under that plan, the Government would buy up to 750 millions of local bonds from school districts, contribute to a 6-billion-dollar pool for support of State school-building agencies and make outright grants of 200 million over the period.

This proposal was liberalized in a House committee to make the grants 400 millions a year. So far, neither house of Congress has voted on the bills.

A test of public sentiment will be sought at the White House conference next month. Then, officials will try to find out what people from all over the country think the Federal Government should do. Apparently, there is broad agreement that the country needs more and better schools—but no agreement as yet on how to pay for them.


Eastman Kodak
IS PROVING THAT IT'S GOOD BUSINESS
TO PRODUCE IN GEORGIA
EASTMAN KODAK COMPANY
ROCHESTER 4, N.Y.
Dear Mr. Candler:
When Kodak decided to establish a sales outlet to serve an increasing number of customers in the Southeast, the advantages of locating in Georgia received early consideration.
Georgia's capital, Atlanta, is a cross-roads of transportation for the entire Southeast. The state itself is one of the leaders in the growing economic importance of the region. Georgia also offers an expanding market for the products of our company and those of other American industries.
Kodak's Southeastern Sales Division has been functioning efficiently and harmoniously since May, 1954. Increasing business in Georgia and the Southeast has led to additional expansion of our facilities.
In addition, the mild climate and the friendly people associated with our Southeastern Division have contributed to making our business experience in Georgia a pleasant one.
Sincerely,
"Thar's Gold . . . . .
IN THEM THAR' HILLS!"
Life is just as exciting, and as richly rewarding in Georgia today as it was in 1828 . . . when Georgia was the scene of America's first gold rush. (Actual specimens shown at left, minted in Dahlonegha, Ga.) Bonanzas still await industry in Georgia's Golden Age. Stake a claim to your share of this growing, prosperous state.
For Additional Facts and Latest Figures Write Today To Scott Candler, Secretary Dept. 26.
GEORGIA DEPARTMENT OF COMMERCE
100 STATE CAPITOL • ATLANTA, GEORGIA



Kaman HOK-1 helicopter rescuing flood victim in Farmington, Conn., area. (Hartford Times Photo)

HELICOPTERS SAVE HUNDREDS OF LIVES DURING FLOOD

Dramatic rescues by rotary wing aircraft became almost commonplace in the gray rain of August 19, 1955.

Disastrous as they were, the terrible floods in the northeast would have claimed many more lives without these ". . . wonderful, comforting and beautiful little donkeys of the air".

Kaman Aircraft is proud to have supplied part of the fleet of armed forces helicopters which lessened the tragedy.

The KAMAN Aircraft Corporation
BLOOMFIELD, CONN.

We've Been Asked:

ABOUT APPEALS FROM DRAFT

- **Some men are able to get draft deferments by using the Selective Service rules for appeals.**
- **Many find, though, that their appeal boards dislike to reverse decisions of local draft boards.**

More and more complaints are heard of men being drafted when they think they shouldn't be. Is there some way to appeal decisions of local boards?

There is rather extensive machinery for appeals under Selective Service rules. But appeal boards do not always act uniformly, and some are hesitant to overrule local draft boards. Altogether, there are 92 State appeal boards. Appeals often are turned down.

Thus, a draft-age youth can't always be sure of getting deferment even though he may seem to have a good reason. As a result of the variation from one board to another, some men with highly technical training are drafted, as well as some who need only a short time to complete their college training.

Are deferment rules to be changed?

Some changes are likely. A plan now under consideration would give more "hardship" deferments to draft-age fathers and to men over 26 who are still liable for draft till they reach 35 because they have had previous deferments. This proposal probably will mean more appeals.

How is an appeal made?

After a draftable youth is classified as I-A and available for induction, he can ask his local board to reopen his case and reconsider his classification. This might be because he is a student or holds an essential job or because of hardship, or for other reasons. On the other hand, a man may bypass this request for reclassification and file an appeal for review by his State appeal board.

Is a special form needed?

No. Special forms are not needed for appeals or requests for reopening of classification. It is well, though not required, that reasons be given.

Can a registrant attend a hearing?

He can attend a hearing at which his draft board reconsiders his classification. He also can take others with him. But, when appeal boards review cases, no appearances are permitted.

How is a case taken to an appeal board?

That also is done through a local board. A letter is sent to the board requesting review by a State appeal board. The local board sends the applicant's file to the State board. The request for review usually must be made within 10 days after classification notice is mailed or after a local board refuses reclassification, though extension of time sometimes is allowed. No appeal is permitted after a man receives an order to appear for induction.

Who can file appeals?

Appeals can be made by the registrants themselves, or by dependents or by employers. Also, reviews can be requested by Government appeal agents. These agents are found in most of the offices of local boards and are available for consultation about draft matters. The National Director of Selective Service and State directors also can appeal from actions of local boards.

Can a ruling of a State appeal board be taken higher?

If there is a split decision by a State appeal board, the case can be taken to a three-man National Selective Service Appeal Board in Washington. Requests for such reviews are made in writing to local boards. This National Board has the final say, with no appeal from its decisions.

Are there other ways of getting a case reviewed?

Sometimes. A man can write or visit his State Director of Selective Service and explain why he thinks he is not getting a fair deal from his local board. Similarly, he can communicate with the National Director of Selective Service in Washington. Some do this through their Congressmen. Both the State and National directors have power to intercede on behalf of men who object to their draft classifications.

Induction of a man into the armed services is not permitted while an appeal is pending.

Known by the Company it Keeps

Seagram's VO

SEAGRAM DISTILLERS COMPANY, NEW YORK CITY. 86.8 PROOF, CANADIAN WHISKY—
A BLEND...OF RARE SELECTED WHISKIES • SIX YEARS OLD

CHAMPION Sets the

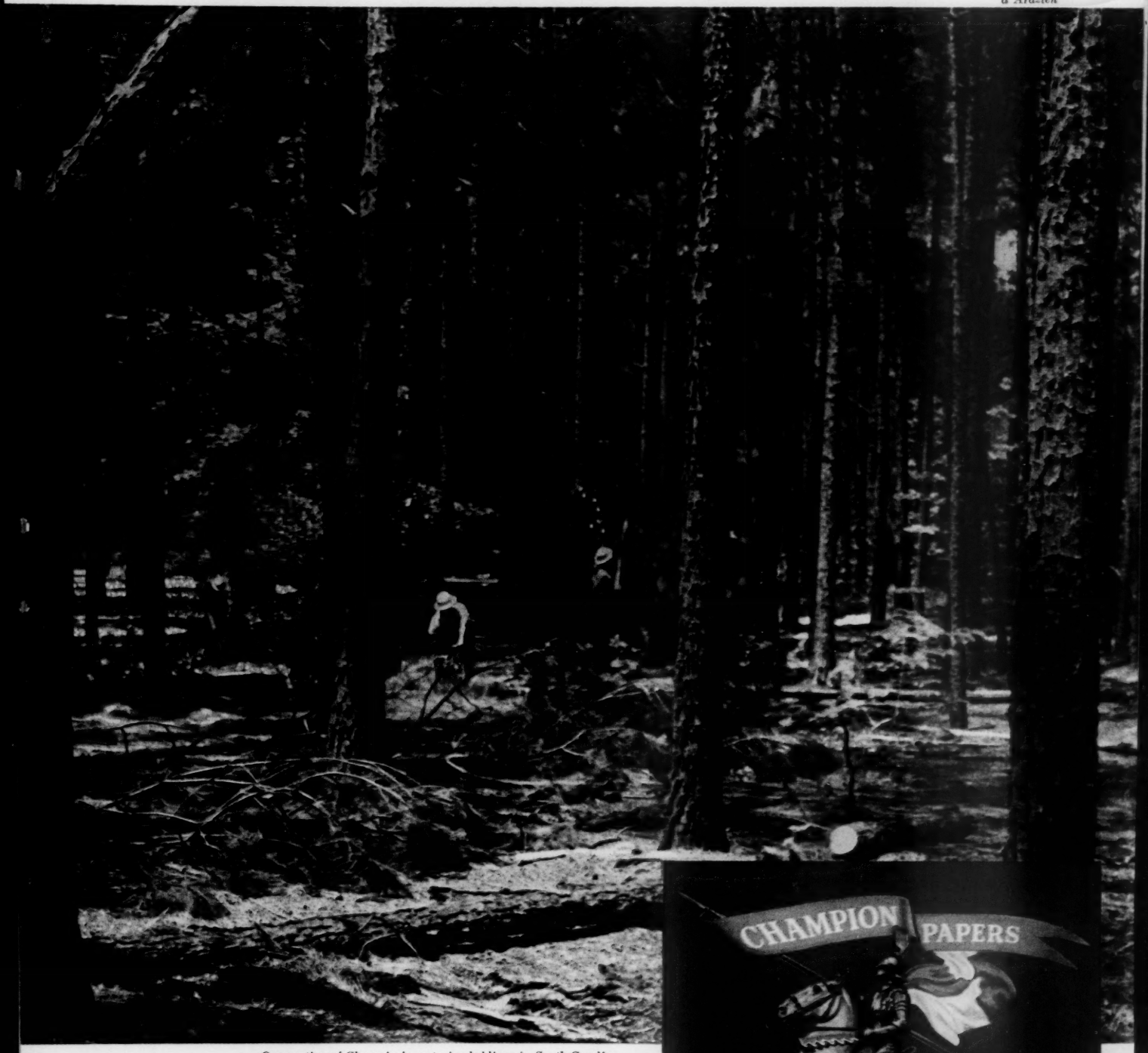
Forestry—an art and science—is mastered by Champion to produce superior papers

Here, in the rich pine forests, the production of Champion's quality papers begins. Millions of acres of pine—straight and sturdy—provide the pulp utilized in the papermaking process.

To insure proper growth, these trees are frequently thinned by trained foresters. Periodically, new seedlings are planted in open country to supplement the forests and perpetuate Champion's wood supply. Champion's well-planned, well-supervised forestry program typifies its leadership of the papermaking industry.

Pace in Papermaking

d'Arazien



One portion of Champion's vast pine holdings in South Carolina

CHAMPION® PAPERS

THE CHAMPION PAPER AND FIBRE COMPANY • HAMILTON, OHIO

District Sales Offices in New York, Chicago, Philadelphia, Detroit, St. Louis, Cincinnati, Atlanta, Dallas and San Francisco. Distributors in every major city.

PARIS—Musée National du Louvre. SACRE DE NAPOLEON I (J. Louis David)

* The Brandy of
NAPOLEON

84
PROOF

COURVOISIER

COGNAC

Napoleon chose Courvoisier—and down through history Courvoisier has been the choice of those who could command the finest. It is the traditionally correct cognac—unchanging in quality—matchless in flavour and aroma.

Illustrated is Courvoisier V.S.O.P. Brand Cognac Fine Champagne in the distinguished Josephine bottle. Also available in all liquor stores—in the familiar tall bottle—is the popular Courvoisier THREE STAR, the recognized standard of quality.

Imported by W. A. TAYLOR & COMPANY, New York, N. Y. Sole Distributors for the U. S. A.

**Courvoisier Cognac—and Courvoisier only—bears this registered phrase on every bottle. Reg. U S. Pat. Off.*

Special offer in French crystalware—Four Courvoisier cognac snifter glasses about 3½ inches tall, with Napoleonic emblem in permanent gold design. Shipped to you from France. Send $1 cash or check *payable to T.V.* P. O. Box 1205, Grand Central Station, New York 17, N. Y., Dept. U-13, Pay Postman 15¢ U. S. Postal Examination Charge on arrival.

memo

FROM ARGENTINA

HERO—AND GRAFTER

BUENOS AIRES—Millions of Argentines who idolize Juan D. Perón as the champion of the poor are learning to their amazement that their hero was, in fact, a big-time grafter who looted their country of a vast fortune.

Hints of the size of that fortune are coming out now, as investigators dig into the affairs of Perón and his cronies. The checkers believe Perón has millions of dollars on deposit in foreign banks. Their report of what they already have found in his two residences shows some of the riches that he left behind. Among those riches are:

- Stacks of Argentine currency worth somewhere between 2 million and 20 million dollars.
- Boxes filled with gold money and gold tableware.
- Several silver services, rare bric-a-brac, gold medallions and choice Oriental rugs.
- An Italian bank book showing a $140,000 balance. This represents part of the profits made on sales, to loyal followers and to the Argentine Government, of the late Mrs. Eva Perón's book, "The Reason of My Life."
- Collections of jewels and gowns left by Mrs. Perón. These are described as still fabulous, although Perón had been giving some of them to his teen-age girl friends since Mrs. Perón's death.
- Most of Perón's huge wardrobe, which included several hundred suits.
- Garages full of motorcycles and automobiles.

Investigators are confident of finding still larger treasures in the vaults, safes and strongboxes of Perón's homes and his official headquarters. They hope to get other lines on his wealth in the papers of his associates.

In more than nine years as dictator, Perón had many opportunities to feather his nest. The Government spent hundreds of millions of dollars on planes for its airlines, ships for its merchant fleet and equipment for its railways. Even a 5 per cent cut on these purchases would run into big figures.

Payoff on permits. The Government's system of import permits and exchange controls is believed to have been immensely profitable. The man who originally handled these deals was Juan Duarte, Perón's private secretary and brother-in-law. A U. S. businessman gives this account of a bargain he made with Duarte:

—Wide World

JUAN D. PERON
Coming to light: his stolen fortune

"My dealers here in Argentina couldn't get import permits, so I came down to see if I could work things out. Somebody told me Duarte could fix things for me.

"I got an appointment with Duarte and asked him if he could help solve my problem. He told me he would see that I got all the import permits I wanted, if I would deposit 5 per cent of their value in a certain bank account in New York. I got the idea that this arrangement was typical."

(Continued on page 70)

HOW CMP STOPS Restricted Specification

COLD ROLLED STRIP STEEL CUTS MATERIAL AND END-PRODUCT COSTS

Putting a stop to troubles with cold rolled strip steel has long been the specialized business of CMP.

SLOW

By working to restricted specifications for size, characteristics and finish, CMP precision rolling and processing has helped in many ways to reduce slow downs in production with flat rolled steel.

DANGER

The danger of not having steel with the "working qualities" that will keep up with today's high speed automatic machines can be eliminated. In many cases, a CMP restricted specification strip has simplified tooling and stepped up machine speeds 25% or more.

RESUME SPEED

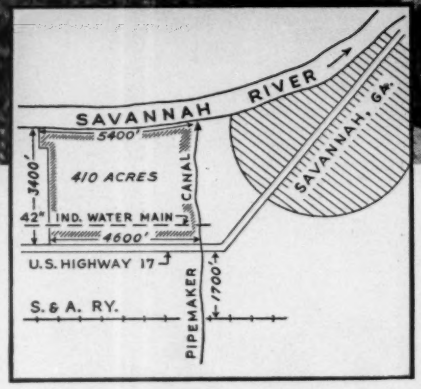
And when the free flow of CMP strip is moving through your equipment without difficulty you'll know why your end-product costs are at the right level — why it pays to always check CMP for the right specification wherever cold rolled strip steel is needed. Your inquiry is invited.

CMP Products—low carbon, electro zinc coated, high carbon, tempered spring steel, stainless and alloy.

the Cold Metal Products co.
GENERAL OFFICES: YOUNGSTOWN 1, OHIO
PLANTS: YOUNGSTOWN, O., INDIANAPOLIS, IND.
SALES OFFICES:
New York • Cleveland • Detroit • Indianapolis
Chicago • Los Angeles • San Francisco

See us at the METAL SHOW Booth 338
Philadelphia Convention Hall October 17-21

Ideal site at
PORT OF SAVANNAH, GA.
for your NEW CHEMICAL PLANT
Frontage on Savannah River—5400 Ft.
Frontage on U. S. Highway 17—4600 Ft.
Total Acreage—410 Acres



- 410 level acres adjacent to Savannah & Atlanta Railway on navigable river (34 ft. channel) well above maximum flood contour of river.
- Located 6 miles north of Savannah, Georgia.
- Vigorous industrial and consumer markets nearby.
- Ample electric power and natural gas available.
- Fast, dependable rail and water transportation to all markets via Savannah & Atlanta and Central of Georgia Railroads. All-diesel freight service between principal communities of the Southeast, connecting with 15 major railroads.

If you're in chemicals or an allied field, this choice site is made to order. Full, detailed information and maps are available from your Savannah & Atlanta and Central of Georgia Industrial Location Specialist. All Inquiries handled in strict confidence! Today, call, write or wire the Industrial Location Office listed at right.

WRITE for 32-page brochure showing this river site and others now available with exceptionally desirable features.

INDUSTRIAL DEVELOPMENT DEPARTMENT
CENTRAL OF GEORGIA RAILWAY
SAVANNAH & ATLANTA RAILWAY
Department A
501 Rhodes-Haverty Building, Atlanta 3, Ga.

SAVANNAH & ATLANTA
CENTRAL OF GEORGIA
The Right Way...
RAILWAY

memo

. . . Perón aides found easy roads to wealth

Duarte later was found shot to death in his apartment, and it came out that he had been about to fly to Portugal, where he planned to live on his foreign bank accounts. Although Perón's police called the death a suicide, some of the circumstances made this seem unlikely. Many people believe that Duarte was killed because he was trying to skip out and double-cross someone very high up.

After Duarte's death, one of his lieutenants, Jorge Antonio, took over Duarte's activities. In the process, Antonio acquired the exclusive agency for a European automobile. Argentines will tell you it was no accident that these cars were available—at a high price—when there were virtually no others on the market. It's clear to them why many of the new buses owned by the Buenos Aires transportation system are of that same make.

The automobile agency and the import licenses were just parts of Antonio's operations. He is mentioned as a large stockholder in a grain company and in three tractor factories being built here by German interests. He is understood to be a silent partner in various other enterprises and to have large bank accounts abroad.

A grim "success" story. Another of Perón's cronies was Major Carlos Aloé, the former Governor of Buenos Aires Province. In less than five years, Aloé rose from modest means to the ownership of a string of filling stations and a chain of publishing companies. One of his companies published the textbooks that all school children were required to buy.

After the revolution last month, Aloé and his brother were caught trying to escape to Paraguay. Officers said the brothers were carrying currency worth more than 1 million dollars. Aloé now is in jail, and Antonio is a refugee in the Uruguayan Embassy. It is believed that Perón had other partners whose names have not yet been made public.

Checkers are convinced that Perón and his associates have large bank accounts in the U. S., Switzerland, Italy and possibly in Portugal and other countries. They are finding, however, that it is hard to get an accurate picture of all the operations and to determine just who owns what. Then, too, it is not known how much loot Perón took into exile.

Enough information already has been uncovered, however, to show that it paid millions to be the dictator of Argentina. It is becoming clear that Juan Perón, the idol of the poor, was in fact a big-time grafter.

RCA's New Orthophonic High Fidelity Sound Opens a New World of Music

From Ceylon to Chile, people of the world can now enjoy a wonderful kind of recorded music that sets a new high standard in the reproduction of sound.

This is made possible by RCA's development of New Orthophonic Sound that weds the beautiful tone of RCA Victor records with the superb performance of new high fidelity "Victrola" phonographs. Born of RCA's acoustical and electronic research, New Orthophonic Sound reproduces a noticeably wider range of sound frequencies, perfectly balanced for musical realism.

When you hear RCA Victor records played on a new Orthophonic "Victrola" phonograph, you'll immediately notice a brilliance and clarity that not only simulate but actually *re-create* original concerts.

The experience and skill behind this achievement are inherent in all RCA products and services. And continually, RCA scientists at the David Sarnoff Research Center in Princeton, N. J., are working toward new thresholds of "Electronics for Living"—electronics that make life easier, safer, happier.

NEW ORTHOPHONIC HIGH FIDELITY "VICTROLA" PHONOGRAPH, $129.95. With Panoramic Speaker System—3 speakers scientifically angled to diffuse sound throughout room. Mahogany or modern oak finish. Legs optional, extra. Model 6HF5. Other high fidelity instruments to $1600.

RADIO CORPORATION OF AMERICA

ELECTRONICS FOR LIVING

WHAT YOU SHOULD KNOW ABOUT YOUR HEART

More and more people are having heart attacks. Why?

What is a heart attack? What causes it? And how can a person avoid having one? Will dieting help? How about exercise?

Can a doctor tell when you are in danger of heart trouble—and prevent it?

If you have a heart attack, what are your chances for recovery?

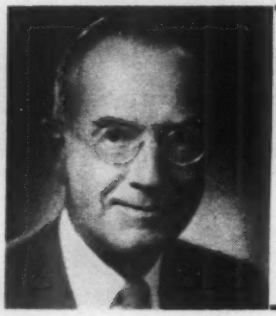
To get answers to such questions, which are worrying many people now, editors of *U. S. News & World Report* interviewed three doctors. All of these doctors are experts in heart disease, active in combating it.

Dr. Irvine H. Page, of Cleveland, is president-elect of the American Heart Association. Dr. James Watt is director of the National Heart Institute, U. S. Public Health Service. Maj. Gen. Dan C. Ogle is Surgeon General, U. S. Air Force. Their interviews follow.

Another expert analysis of heart disease appears on page 86. It was written by Dr. Paul D. White, Boston heart specialist who attended President Eisenhower.

"TEN COMMANDMENTS" TO PROTECT YOUR HEART

An Interview With Dr. Irvine H. Page, American Heart Association



DR. IRVINE H. PAGE, *54-year-old president-elect of the American Heart Association, got his medical degree at Cornell University in 1926, spent many years at clinical research in Germany and the U. S.*

Since 1945, Dr. Page has been director of research at the Cleveland Clinic Foundation, a privately supported clinic and research institution in the Ohio city.

Dr. Page is regarded as one of the world's foremost experts on hypertensive heart disease, has written many articles on that subject. He is a native of Indianapolis.

AT CLEVELAND

Q What can a person do to keep from having a heart attack, Dr. Page?

A That's a tough question. I think that the thing you have to realize first is that a heart attack as ordinarily considered by the public is basically arteriosclerosis of the coronary vessels—hardening of the arteries.

Now, first, the coronary vessels, what are they? They are really a crown of vessels which sweep down over the heart, that is why they have that name. The function of these vessels is, of course, to nourish the muscle of the heart.

As time goes on in your life—and usually this begins much earlier than we ever thought before, around the 20s—you begin to get a little hardening of the arteries. The hardening of the arteries consists usually of the deposition of fatlike material in their walls.

Q You mean fat in the food you eat deposits in the artery?

A It is first transferred to your blood from the digestive tract—it gets in the blood, and then is forced into the artery wall. The interesting thing about fat is that it is the only insoluble substance the body has to deal with. All the other substances are soluble in water. For instance, sugar, protein, things like that are all broken down into substances that are soluble in water. Fat is the only one that is not.

Therefore, the body has a rather tough job in handling fat. Of course, fat consists of a lot of different things. On the one hand we talk about a fatty alcohol which is known as cholesterol. At the same time we talk about ordinary fat like butterfat.

Q And there is no relationship between them?

A Only that both of them are insoluble in water. That is how they get mixed up together.

Why Trouble Occurs . . . Effects of Exercise, Tension, Work . . . Symptoms to Be Watched . . . How to Recover

Q If you eat butter, eggs, milk, fat meat, things of that nature, does that mean you are getting more of this type of material that will block up your arteries?

A Yes, I think you have hit on a very important point there. There are many people in the scientific world who do honestly believe that it is the amount of fat we are eating—that the American public does eat too much fat. People like us who have a fairly luxurious diet tend to take more fat in their diet than people on poorer diets, economically, that is.

Q Then wouldn't Eskimos, who eat a lot of blubber, have more heart trouble than we do?

A That's a very good question, because I think it brings us to the fact that the whole problem of arteriosclerosis is quite complex. We can simplify it, but nonetheless it is a very complicated problem—it is a multifaceted problem. There are all kinds of angles to the thing. And if you take any one of them you overlook the rest, and the net result is you don't get the whole picture. All you can say is that people like the Bantu and the Japanese, who apparently eat a much lower quantity of fat than we do, have a much lower incidence of heart ailments than we do.

Q Then should an individual who is worried about these materials' stopping up the arteries—should he avoid those kinds of food?

A Well, one notion that is now being widely recommended is that the American public reduce the fat content of its diet from its present 35 to 40 per cent down to a level of around 20 to 25 per cent. Whether that will help is another question. Nobody has shown that if you reduce this fat content to a lower level that that will in fact prevent arteriosclerosis. That is an assumption based on the fact that people who do take a lower fat content into their diet are the ones who have a low incidence of coronary disease.

Q If you are an individual who does a lot of exercising, would that burn up this fat and so make the risk of heart damage less?

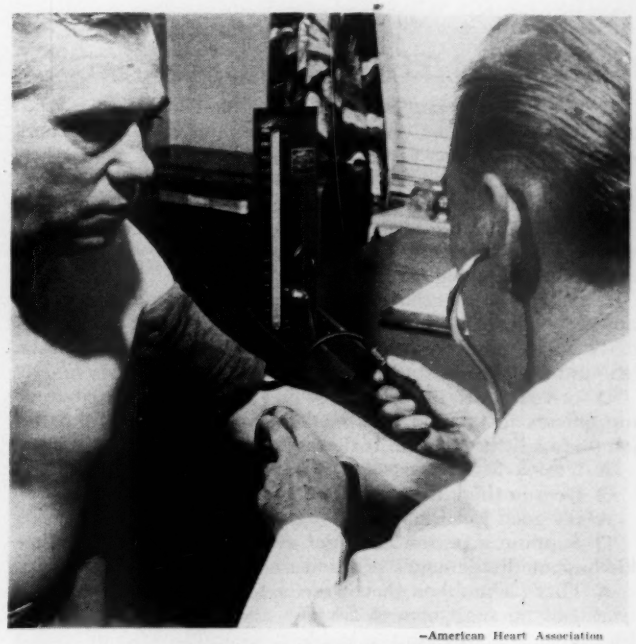
A That is another facet of the whole problem. The American public is taking more fat, due partly to manufacturing methods and the wide distribution of milk and other dairy products, for example. It is possible to buy and sell these economically, and we have stretched the time that we take these foods from children up until full adulthood. Whether that is good or bad, I don't know. I do know this: that the American public is probably the best-nourished public, and you have to alter such a diet that people have lived with for a long time with the greatest of care.

As to exercise, when you realize the American public now has taken to the wheel—why, they won't even go from one bar to another without getting into a cab! And people say: "Beyond the age of 30 you mustn't play tennis, you mustn't do this, you mustn't do that," so we have become a nation that is being carted around all the time. I am not at all convinced that the lack of exercise might not be one of the factors which is increasing coronary disease in this country.

A very interesting experiment was performed in England by a fellow by the name of Morris. He studied the incidence of coronary disease among bus drivers—you know they have double-deckers there, and the conductor is running around all the time. He found that the incidence of coronary disease seems to be much lower in the fellow who is running around in the bus than it is in the one who is sitting there driving the bus.

Q Then would there be fewer heart attacks among postmen than among switchboard operators?

A That is the current notion—it hasn't been studied sufficiently to say it categorically. This just brings up the fact that this is a very new business really, this research on arteriosclerosis. It has only been going on for about 10 years in a serious way. We haven't a big backlog of substantial facts so that we can talk with authority and say, "This is so and this is not so."



—American Heart Association

TESTING BLOOD PRESSURE
In a heart attack, a drop "is not a good sign"

Q Would hard work or exercise cause a heart attack? The President had played 27 holes of golf just before his attack—

A I don't think so at all. Look at the millions of people who play golf and tennis. Coronary heart attacks, as far as I know, don't seem to be any more common on the golf course or the tennis courts than they are when you sit in your office or are home in bed.

Q Would the fact that you play golf have a tendency to make you more susceptible?

A If I had to guess, I would guess that it made you less susceptible.

(Continued on next page)

. . . "Keep up muscle tone and keep the fat circulating"

Q You think a fellow should play golf and should exercise?

A I think he should.

Q Suppose he is an individual who hasn't exercised regularly—should he suddenly take up golf?

A I think if he took it up in a moderate sort of way, rather than in a furious and competitive way, until at least he had worked himself up to good physical condition, I think it would be very desirable for him to take up golf. You see men 45 so flabby their abdominal muscles are unable to aid the return of blood to the heart.

Q An individual who works at a desk all week and then on week ends comes home and pushes a lawn mower or does a lot of digging, is that infrequent exercise bad for him?

A I don't think it is bad for him, but I think it is bad that we as human beings don't live our lives out under more healthful circumstances. I think we've got too many elevators, we've got too many automobiles, we've got too many of everything that prevents us getting up and moving around.

MUSCLES NEED USE—

Q I've heard it said it would be a good idea if a person parked his car six or eight blocks from his destination and walked there—do you think that's a good idea?

A I think it's a very good idea. Anything that will keep up the muscle tone and keep the fat really circulating.

Q Are there more heart attacks among people who live in apartments than among home owners who have to do a little more exercise taking care of their places?

A Nobody knows that. That's another example of the many things which really require most careful investigation. I think that's what he have got to strive for now—to define our problem and then really study it and make the answers stick.

Q Just recently the Air Force and the Navy advised their top officers to take an afternoon off and get away from the job to do a little exercise. Is that a good idea?

A I think it is an excellent idea.

Q Do you think that would be good for all people?

A It's good for everybody.

Q Suppose a person can't get away from his office—either his boss or the demands of his work won't let him—

A That's a problem that it seems to me all people have to work out on their own. I am not sure—you have to decide for yourself what's most valuable to you. The idea of a man working himself completely into a frazzle and then dying and becoming the richest man in the graveyard has never seemed to me a very sound thing to do.

Q As a person gets older, should he cut down if he has always played tennis or some other very active sport?

A Of course, you will be forced to play not as vigorous a game. You've got to become smarter on the tennis court—when you're a retriever is when you play a less canny game.

Q Suppose a fellow gets out and plays football with his youngsters and finds he can't keep up as he used to—is that a sign that his heart is not in the shape it was?

A No, it simply means that he as an individual has slowed up—his whole metabolic system has slowed up.

Q Well, at 55—or 45, or any age—should an individual quit golf or more active sport?

A No, I don't think he should quit golf. He should follow his feelings—fatigue is, after all, the best index when you are doing too much. When fatigue comes it's best to say, "I'm tired, let's quit."

Q If you keep on going to the point of fatigue or maybe a little beyond that, would that put a strain on your heart and bring on a heart attack?

A No, I don't think so. You have to have the arteriosclerosis there first—the whole setup has to be there. That's why a heart attack will occur in bed; it will occur wherever it is going to occur. It doesn't make any difference whether you are on the golf course or tennis court or in bed. This question of the relation of strain and a heart attack needs a lot more careful study.

Q It may be the way you have lived that has brought on the attack?

A That's right.

Q Do you think, if a person is concerned about getting a heart attack, he should cut down on his diet and start taking exercise?

A I think not—I think we are in too early a stage of this thing to do that. I would doubt very much that any radical change in a person's life at the present time is dictated. That is, however, not to say that the people who are interested in it from the point of view of an experiment shouldn't have a try. I did it myself—for 11 months I went on a rigidly low-fat diet. It was awful.

Q Did it reduce the cholesterol level?

A It reduced it for a while, but I felt so terrible it wasn't worth the effort, and I realized then that you have to change things in people's lives very cautiously, because there are a lot of things that come into it that you don't realize.

It never occurred to me that when you speak in terms of a diet, it's like language. You and I sit here and we talk freely, but, if you ever try to talk in a foreign language, you realize that language is a very difficult thing to do, it takes a lot of energy. It takes very little energy when we do it because we know it.

DIETING: THE HARD WAY—

Diet is the same way. You go home and you eat, you expect to eat at regular times, and so on, and it means nothing to you in particular. But, if suddenly somebody says, "Now, look, you've got to think about your diet. You just can't go in to the dinner table and eat. You've got to say, 'I've got to reduce my fat content and raise my protein content.'"

In other words, dieting becomes an important part of your life, and, believe me, I can tell you from firsthand experience that becomes very difficult. Thinking three times a day: "Can I eat this, can I not eat that?"—it makes life pretty difficult for you, and that's the reason I say that diet should never be changed unless there is good and sound reason for it.

Q If you were a young person—say, of college age—what would you do about your diet as a sort of heart-attack insurance?

A If I were to guess—and I would say it is a guess—if I had to do it myself, I would reduce the amount of fat that I would take. In other words, I would tend to avoid or cut down on the things that do produce, in animals at least, arteriosclerosis.

Q For example?

A I would drink skimmed milk. I try to persuade my children now to get used to skim milk, because they have just passed the age of puberty and their growth is largely behind them; therefore I would feel quite justified that they would

not need the tremendous caloric intake that they need as children.

That's the reason I am afraid to say to people in general, "Take the fat out of your diet." Because sometimes it can do irreparable harm. We are well-nourished people, and we are well-nourished because there are a number of things that we have done—we've been taught to drink milk, for example. We've been taught to take a diet that on the whole has tended to make us pretty healthy and pretty long-lived people.

With all our coronary disease, the fact still remains that the average life span in the world is 35, and ours is 68. We can say we've got all these terrible diseases, but the fact remains that we are outliving the rest of the world by a good deal. Now that doesn't mean that coronary disease is the only flaw. It means that we have set up a way of life which is giving us a longer life and by long odds, from the nutritional point of view, a happier life than, say, the Bantu or the Japanese.

Q Dr. Page, do you think the pressure we live under—the tensions facing the busy executive, for instance—have anything to do with bringing on a heart attack?

A It's awfully hard to say that, because it is so nebulous, this idea of stress.

Q But you read in the papers that—

A Yes, you read it all the time. It is a very attractive and a very illusive word. But just think about it a minute. For instance, how do you define stress? Stress to my younger son means when I come home and prevent him from pounding on the piano. But the stress is the other way as far as I am concerned. He is annoyed because I don't like the noise, so there are two people, one being under stress for one reason and the other being under stress for a totally different reason.

IS STRESS REALLY BAD?—

Q But is the amount of stress bad? You read of these executives 45 or so dropping off with a heart attack—

A Yes, but does stress cause that? I find it difficult to go along with that, because there is no way to control the amount of stress a man is under. There are some people who seem to be under tremendous stress, and yet they take it with an internal equanimity, they get along well in life, they're well adjusted to it. There are a lot of people under great stress, but outwardly you can't tell it.

Q The individual who takes things in his stride, the one whom pressures don't seem to affect, is he less likely to have a heart attack?

A I think that is a complete imponderable. All I can say is that, in general, it is desirable not to live under stress. More than that I can't say with conviction, because I don't think there is any evidence yet that a man necessarily under stress will have a heart attack. Many of them have such attacks in bed—where is the stress there?

Q Is it worse to work hard physically or work hard at a desk under pressure and tension?

A I don't think either is bad for any normal person—hard mental work or hard physical work. After all, Einstein was a hard mental worker and he did all right. And many people have been hard physical workers and have lived for a long time.

Q Is a person who is emotionally stable more likely to live to a ripe old age than somebody who flies off the handle easily?

A I don't think so, necessarily. That isn't to say that emotional stability isn't a desirable thing. But I think when you look at it in terms of a rigorous scientific analysis and say categorically a person who is high-strung and very emotionally unstable is not going to live as long as the other fellow, I don't think it necessarily follows. If you think back, you will find among your own friends people who have been seemingly flying around frantically, and they are still going strong, whereas a lot of other people whom you know who were very peaceful and quiet and composed are now really peaceful and quiet—they're dead.

Q Are there any symptoms that would tell whether a person's heart is sound, aside from what a doctor can tell?

A No. Fortunately most people are totally unconscious that their heart is beating. There may be pounding of the heart, which doesn't mean too much—after exercising there will be pounding of the heart, or if you are nervous there will be pounding of the heart. It just means you are conscious of your heart, just as occasionally you become conscious that you're breathing.

Most of the time we aren't conscious that we're breathing. But something may frighten you—you may feel suddenly very short of breath and you are conscious of breathing. That doesn't mean there is anything wrong with your breathing. It just means that you have become aware of the fact that you are breathing.

AN EXPERT'S 10 RULES—

Q What simple things should a person know about his heart—things about living that will help him to avoid heart trouble?

A Well, that's a large question. I've got 10 cardiac commandments, if you want them. These are the ones I would throw in for what they are worth:

1 Understand heart disease, do not fear it.

2 Keep the weight of your youth, do not become obese.

3 Avoid fatigue; it's a warning signal.

4 Cultivate a good muscle tone and keep it by regular exercise.

5 Be moderate in the use of salt and fatty foods, sex, tobacco and alcohol.

6 Avoid drugs, vitamins or diets except on medical advice. Have your physician treat streptococcus sore throat.

7 Learn equanimity in a world full of stress and strain.

8 Become attuned to nature, so as to adapt to the inevitables of life or death.

9 Cultivate mind and soul to your utmost—they alone are indestructible.

10 Select a physician in whom you can truly confide and in whose understanding and judgment you have implicit faith.

Q Is an individual who by force of habit is an excessive salt user more likely to come down with high blood pressure or heart trouble?

A No. I think that, as long as his kidneys are good, the individual who uses a lot of salt is not more likely to develop high blood pressure than any other individual. The only reason I put it in there is that many people at some time in their lives may have to go on a low salt diet, and the individual who has accustomed himself to a very high salt diet finds it very difficult to go on a low salt diet—just a little tactful

(Continued on next page)

preparation. People who use moderation find it much easier to drop it altogether.

Q So the salt itself isn't b..d?

A No.

Q President Eisenhower's attack first was diagnosed as indigestion. You hear people say quite often that they have had indigestion. Does that mean they may have had a heart attack?

A In most cases, no. Indigestion is a very vague thing, and can come from such a wide variety of things. It really has very little significance in most people. Indigestion to one person doesn't mean indigestion to the next fellow. It is probably true that some people have had a very mild coronary attack, which had masqueraded to them as indigestion, and paid no attention to it.

Q You mean such a person could have an attack and still go about his regular life?

A He could go on for a long time.

Q So just because you've had one attack doesn't mean you're going to get another?

A By no means. After all, about 80 per cent of people who have attacks get away with it.

Q Does that mean they recover from the attack or does that mean they go back to their old jobs?

A You have to lower the incidence a little below 80 per cent on how many go back completely to their jobs, because a lot would depend on the job they had to go back to.

If it were a quiet job, he might well go back to it. If it were a job where he were under tremendous physical stress and strain, and dangerous to that person or others, he would, of course, be most ill-advised to go back. For instance, a truck driver perhaps shouldn't go back to driving a truck not only from his own point of view but from the point of view of the people he might run into if he had an attack while driving. This is where work-classification clinics are most useful. The American Heart Association sponsors them for just this purpose.

HOW HEART ATTACK FEELS—

Q To get back to the business of indigestion: How can a person tell when the pain he thinks is indigestion is actually a heart attack? Does that mean he should call a doctor every time he has a pain in his midsection?

A No, I don't think so at all, but there are certain fairly characteristic symptoms that would tell you that you are in trouble. They are principally a boring pain, oppression in your chest, a pain radiating down your left arm, sometimes both arms, and a general feeling of being quite uneasy.

Most people pretty well know when they are in trouble; they have a curious feeling they have not had before. That doesn't mean that all of them do, but an awful lot of them do. Probably most people recognize it when it comes.

Q When you get that particular feeling—that hunch it is a heart attack—obviously the attack hasn't killed you. Does this mean the worst is over and you're not likely to die?

A No, when you actually get the pain the best thing to do is to stay put if you possibly can—lie down and stay there until you can be taken care of properly. There are dangers from the attack on. You can't be certain. If the blood pressure begins to fall, that is not a good sign. If you are an elderly person it is a strike against you. On the other hand, if you are a young person, the chances are very good that you will get away with it, provided you are properly taken care of.

There are dangers after the attack has occurred, not only during the attack itself. Afterwards, clots may form and break off and go to your brain. Maybe two or three weeks afterwards you may even have a heart-muscle rupture—scars that form in the muscle sometimes rupture. So you can't be dogmatic and say, "If you survive the first few hours after your attack you will survive indefinitely." On the other hand, the chances are good—it depends a lot on how severe the attack is.

I think the treatment, once the attack has occurred, is quite good now and, if you are well taken care of, the chances are very good that you may get along well. Then I think there are a lot of psychological adjustments the patient has to make—he has to get over his fear of the whole thing. He has to face a lot of things which are at first very unpleasant. Later on, he learns to live with them and most of the time turns out to be a much nicer and much better person.

WHEN TROUBLE STRENGTHENS—

Q Can the average individual face up to the problem?

A I am certain the majority face up to it beautifully. It is amazing to see the rapidity with which adjustment can occur, and people who have attacks turn out to be really much better people than they ever started out to be.

Q Is there any relationship between the amount of sleep a person gets and the possibility of getting a heart attack?

A I don't think so, no.

Q How much sleep should one get?

A I think that depends entirely on the individual. There are lots of people who get along perfectly well on four hours or five hours of sleep. Sleep is, after all, the complete loss of consciousness. Many people can live in a sort of never-never land—not asleep and not awake. But they are just quiet and peaceful and they get the same place, like an express train and a local—both of them end up the same way, only one is a little slower getting there than the other.

Q If you have a drink or so with your lunch, is that likely to make you more subject to heart attacks?

A There is no evidence that alcohol is related one way or the other. It seems to me alcohol is a thing that can be abused or enjoyed. All I can say is, a drink at luncheon would make me sleepy and wouldn't do any good.

Q But the individual who, by the business life he has to lead, has a cocktail before lunch and maybe a cocktail before dinner—that's not likely to cause a coronary attack?

A There isn't a shred of evidence that it will. There is no evidence whatever that alcohol influences it one way or the other—it may relax you, and if you're relaxed you're better off. On the other hand, a lot of people are not relaxed after a few drinks; they become very voluble and very tense.

Q How about smoking?

A Smoking is the thing which is now a very contentious problem. In going over the evidence, I am not at all convinced that tobacco and coronary disease are causally related. On the other hand, I am convinced that there are certain types of blood-vessel disease—particularly the diseases which involve your legs and arms, so-called peripheral vascular disease—that may be made worse by tobacco.

Q But the tobacco itself wouldn't cause the disease—it might aggravate it?

A It would aggravate it. And there are some people who have pain in the heart from smoking. The answer to that is

simply that that person should not be smoking. But, on the other hand, there are other types of patients, patients who have smoked all their lives, and to take them off tobacco simply because they have had a heart attack sometimes is cruel.

Q Do you think a person can worry himself into developing heart trouble?

A I doubt that such a person will actually develop heart trouble. But I think we can—unless people look at the thing very coldly—become neurotic about it. There is so-called cancer phobia, for instance. There are phobias of all kinds, and I am sure there are lots of people who get so concerned about their heart that they listen for it all the time, even lie on one side of the bed and feel their heart beating on the bed springs and they get terribly worried about it—simply because their heart is beating. Fortunately, when it stops beating they don't have to worry.

Q So, in effect, you would say an individual should be moderate and not worry about his heart?

A That's right.

Q Is there any way to tell that you're likely to be a victim of a heart attack some day—any measurement?

A No measurement at all, and it's very important to realize that. That's one of the things that complicates it—if we could tell with certainty that one individual had developed coronary arteriosclerosis, or was developing it, then we would be well along in advising him some of the things to do.

TESTS THAT FAIL—

Q Does that condition show up in X rays or an electrocardiogram?

A No. The electrocardiogram, for instance, doesn't show it. It measures only the electric impulses that flow over the heart. Nothing happens to the electrocardiogram until a chunk of that heart muscle is actually killed by not having any circulation.

In other words, when one of the vessels becomes plugged up by a clot, then the area that has been nourished by that vessel no longer gets blood, and that little infarct, the area of dead muscle tissue, diverts the current so that it no longer flows over that area. That is why you get a change in the electrocardiogram. You don't get the change though until after you have it—not before.

Q As these fatty deposits build up in the arteries, would they show in an X ray?

A It would be true if they were radio-opaque. In other words, if they had something in them which would not transmit the X ray, then you would see it.

Q They use barium to make the stomach show in X rays. Wouldn't that work in blood vessels?

A If you could put barium in your arteries—but I certainly wouldn't want any in mine. I think there will be methods ultimately developed by which you will be able actually to see these deposits. I don't know how you'd do it, but some smart fellow will figure out a way.

Q Can you measure the cholesterol level in your blood?

A Yes, that can be measured. And if it is very high, really very high, you can be sure that your chances of developing arteriosclerosis are good. I would like to stress one thing here, though: that the limits of "normal" are very wide. In other words, suppose we say the limit would be 150 up to 275 milligrams per 100 cubic centimeters of blood. Now if you had 300, it doesn't necessarily follow that you are in imminent danger of having a heart attack. I think that's very important to realize, because you can tell a patient that and yet he might not be in any more danger than the fellow with 225. But if it gets up to 600, then you can be quite sure that this man really has one strike against him.

Q Should an individual have a blood test from time to time to measure this material in his blood?

A I don't think so. We are still talking in the research area. In other words, I think that big experiments where cholesterol or something else is measured and measured carefully in relation to, for example, diet, are most desirable. But just for the public to go and have their blood cholesterol measured, willy-nilly, is, I think, quite useless.

Q Is there any strain put on the heart when an individual changes altitude?

A Yes, there is. I think a person with heart disease has to go to a higher altitude with some caution. In other words, with the reduced oxygen content of the air, it requires more red blood cells to be formed to carry that amount of oxygen, and that extra mass of red cells will have to be pushed around and that puts extra work on the heart.

Q Does that mean that an individual who has had a heart attack shouldn't fly in an airplane?

A No, the evidence is against that notion. The airlines, in general, do not want to take a person who has actually had failure of the heart—that is, if the heart muscle is so poor that it is inadequate at a normal level of air pressure. But there is no evidence particularly that heart attacks are more common in airplanes, particularly in pressurized airplanes—they don't go much above 8,000 or 9,000 feet without pressurizing the cabins, so there is no particular reason for concern.

Q The fact that the President moved from the altitude of Washington, which is practically sea level, to Denver, would that have hurt him?

A I don't think so. I think the President would have had his attack whether he had been on the Potomac or in Timbuctoo.

Q Or even if he hadn't been President?

A Yes. He is 65—he's entitled to it even though he is President.

A FAMILY TENDENCY—

Q Do heart attacks "run in the family"?

A There is a hereditary factor. I think there is no question—most people would agree with me on this—that there are certain families that have a hereditary predisposition to arteriosclerosis. That doesn't mean that every person in that family is going to get it, but it means the cards are stacked against them. So, heredity is important.

Q Is it that you inherit the tendency, or is it because one tends to live like one's father or mother?

A I think there is very good reason to believe, since we now know that genes control the chemical reactions of the body, that it is the inherited physical tendency, not just the environment alone.

Q What about body build?

A Body build is an example of heredity. The so-called mesomorphic individual, the individual that's a stocky, muscular person, particularly the male, is much more inclined to get coronary disease than the long, thin fellow. But, again,

(Continued on next page)

. . . "Men have more heart attacks than women"

it doesn't say that the long, thin man will never get it. It just means that this is a strike against the stocky fellow. Just as being male is a strike against an individual—men have more heart attacks than women.

Q Could that be due to hormones?

A Yes, there is little doubt about it. Curiously, the male animal of any species is always the less durable one than the female. The female practically always outlives the male, biologically. Now the difference between the male and female is one of hormones, so they undoubtedly have an effect. That, of course, accounts for the current interest in giving sex hormones to males who have had coronary disease—that is the theory behind it, that you feminize them, and that you convert them to more of a female and thus there is less chance of developing another attack.

Q With all these factors involved, do they mean that, if an individual is going to get a heart attack, he will get it and there is nothing he can do about it?

A No, I think the field is tremendously held back by the fatalistic attitude. After all, when I went to medical school, arteriosclerosis was considered purely a problem of aging—in other words, you couldn't stop the passing of time, and people developed this fatalistic attitude. If that is what it is, then nobody is going to do anything about it, but, in the last 10 or 15 years, people have come to realize that you don't have to throw up your hands and think you can do nothing about it.

I am not sure at the moment we can do too much about it, but what we can do is think clearly about it and define the problem. The beginning of all science is a clear definition of the problem. Once the problem is clearly defined, then people will settle down and try to find out what happens.

HOW TO LIVE WITH A HEART CONDITION

An Interview With Dr. James Watt, U.S. Public Health Service

DR. JAMES WATT, *44, is director of the National Heart Institute of the U. S. Public Health Service—a position he has held since 1952.*

A medical graduate of Johns Hopkins University, Dr. Watt entered Government service in 1938, has devoted his entire career to research and public-health activities, in laboratory and field studies.

In addition to his work with heart problems, Dr. Watt has directed research in intestinal diseases both in the U. S. and abroad. He is one of the founders of the American Board of Preventive Medicine.

Q Dr. Watt, there has been so much talk about heart attacks lately that a great many people are worrying about their hearts. They want to know how they can avoid heart trouble. What are some of the simple things that a person should know about his heart or about heart trouble?

A The most important and simple thing I believe should be gotten across is that a heart attack is not necessarily and inevitably a sentence to life imprisonment or death.

I think this is a general attitude you will find in people. They will say: "Poor Joe, he had a heart attack. We might as well write him off." This is just not the right attitude.

Q What is the percentage of people who recover after a heart attack?

A The rather uncomplicated type of case has a very high recovery factor. For all types of cases, around 80 per cent survive the first attack.

Q Survive, yes. But can a man really return to normal life after a heart attack?

A Yes, I think so, in a majority of cases—often with some limitation of his activities.

I think the business executive, or the one who is in employment or a profession which necessitates a more sedentary life, is probably in a more fortunate circumstance than the ditchdigger or the heavy manual laborer after having had a heart attack, because I think his chances of being able to return to his normal occupation are much better than the manual laborer returning to his occupation after a heart attack.

Q If you have one heart attack are you certain to have another?

A If you have had one heart attack you know that one particular blood vessel was diseased and the chances are pretty good that there are other diseased blood vessels. If the same events followed, you could have a similar kind of attack in another blood vessel.

But, again, this does not mean that you will have another heart attack any more than it means that you won't.

Dr. White [Dr. Paul Dudley White, Boston heart specialist who attended President Eisenhower] said he had a patient 85 years old playing golf who had had a coronary occlusion when he was 45 and he hadn't had any since. There are examples all over the place of people who have lived many successful, active years after a heart attack.

Q Is there anything to the popular belief that a third attack is always fatal?

A That's folklore. Some people outlive a half dozen or more heart attacks.

Q If a man has a heart attack is his heart damaged permanently?

A Yes, but it may not be functionally impaired.

Q Could it serve him normally?

A You could say this: Experience has shown that, in a

group of men who had heart attacks, a given number died, a given number recovered, and a given number recovered with no apparent disadvantages.

Q So, apparently, a man should not be "written off" just because he has a heart attack—

A By no means. Some outstanding work has been done by men after heart attacks.

Q Aren't there several kinds of heart trouble?

A Yes.

Q What are the main kinds?

A There are three kinds of heart disease which are most important from the standpoint of frequency of occurrence—arteriosclerotic heart disease, hypertensive heart disease and rheumatic heart disease.

Q Which is most dangerous?

A From the point of view of deaths, from the point of view of disability, arteriosclerotic heart disease is the most dangerous. It causes more deaths, more disability, more serious illness.

Q What is arteriosclerosis?

A The term means hardening of the arteries. There are several kinds. One comes with advancing age—and is a simple decrease in the elasticity of the arteries. Ordinarily this is not a cause of serious heart disease.

Q Well, what is the most serious form of arteriosclerosis?

A The kind known technically as atherosclerosis.

Q What's that?

A Normally, the inner lining of an artery is smooth, and blood flows over it freely. When atherosclerosis occurs, tiny particles of fatlike substances pile up under the surface of the artery lining.

At the same time, there is a thickening of the artery wall.

Sometimes several small fatty deposits merge. Later they may degenerate, leaving cavities in the inner wall of the artery filled with calcified fatty material.

These roughen the artery lining, reduce the size of the blood channel, or may even close it entirely. These roughened areas also may be the site of a clot formation, particularly when the flow of blood is hindered.

CLOT THAT CRIPPLES—

Q What harm does the clot do?

A This blood clot may grow big enough to actually block the passage of blood, and this would result in an occlusion—if in the coronary vessel, it is called a coronary occlusion.

The clot may break off and pass down the blood vessel and stop when it reaches a smaller one that it can't pass through—the point where it can't go any farther—and that stops the blood flow.

Q And that would be a heart attack?

A Yes, when it happened in one of the heart's arteries.

One point to make at this stage is that these occlusions are not confined to the coronary arteries which supply the heart with blood. They can occur in other blood vessels anywhere in the body. So, when a clot occurs, it is not only important to the extent of how much blockage it is producing, but it is tremendously important where it is located.

Q You said one form of arteriosclerosis comes with advancing years. Does this mean that everybody has arteriosclerosis after a certain age?

A It is very, very common. I would think that it is fair to say that practically everyone will have some form of arteriosclerosis if he lives long enough.

Q You mentioned hypertensive heart disease. Is that the same as high blood pressure?

A It is heart disease caused by high blood pressure.

Q How does high blood pressure cause heart disease?

A Basically, the heart is just like a pump, and hypertension puts an increased load on that pump. And, consequently, over a period of time that increased load jeopardizes the heart's reserve and its ability to function properly.

Q How do you mean? What actually happens to the heart?

A The heart has to compensate. The muscle mass of the heart increases—the thickness of the wall of the muscle. The muscle cells themselves get bigger, in order to cope with the high pressure.

Q Now, what about the third type you mentioned, rheumatic heart disease?

A In rheumatic heart disease, a person has rheumatic fever as a child or a teen-ager, and, as a result of damage from the initial attack, or of repeated attacks of rheumatic fever, the heart is affected. The damage is primarily to the heart valves.

Q Why do they call it rheumatic fever? Is it a rheumatism?

A The reason it originally got that name was because it involves the joints, is manifested as a rheumatic joint pain. These are the pains usually referred to as "growing pains."

WHAT ANGINA PECTORIS IS—

Q We hear a lot about a heart trouble called angina pectoris. What is that?

A Pain in the chest caused by an inadequate blood supply to a part of the heart muscle as a result of a narrowed, sclerotic artery. It happens when a person is exercising or exerting effort so that the heart has to work beyond the ability of its own arteries to supply it with oxygen. The pain usually goes away rather promptly when the person rests.

Q What is the difference between angina and a heart attack?

A They have one thing in common—narrowing of the coronary arteries, usually as a result of atherosclerosis.

But, in angina, the blood supply through an affected artery has not completely stopped. It is just not sufficient for the heart to do much work. In the heart attack the blood cannot flow through the affected artery at all. The first causes discomfort and is a warning. The second—the heart attack—causes damage to the heart muscle.

Both are accompanied by pain, but the pain in a heart attack is usually much more severe and may last for hours.

Q You talk about these fatty deposits lining artery walls. What are these, and where do they come from?

A They are really cholesterol, a fatlike substance. We know that it is produced in the body, as well as what you take in from outside.

Q Can a person cut down the danger by reducing his consumption of fatty foods?

A The ability of the body to handle the fat probably is far more important than the actual intake of fat. There is some evidence that atherosclerosis occurs more often among people who consume rich diets, especially diets with high fat contents. But the meaning of this has not been fully established.

Q Then what is the solution for a person trying to avoid heart trouble?

(Continued on next page)

. . . "One of our problems is to measure 'stress and strain'"

A There is no simple solution. Diet is probably important. Moderation in diet habits is good advice, regardless of how directly it affects you.

Q Are there some specific foods that should be avoided?

A We don't know which food, if any, and we rather suspect that no one food of itself holds the answer.

Q Is there a close relationship between overweight and heart trouble?

A Statistically, yes. When you pin this down to an individual, though, it is quite a different thing. The life insurance figures show that those people who are overweight do have a somewhat lower expectancy of life than those people of normal or below normal weights. And that difference is primarily in the difference in incidence of heart disease.

Q Is it because when you are overweight you put a greater load on the heart?

A Your reaction is a perfectly reasonable one, but it may be an oversimplification. An overworked heart is obviously not in a good position to resist an insult which a heart that is not overworked can resist.

ATHLETES' HEARTS—

Q What about the effect of athletics on the heart? Are athletes more, or less, likely to get heart difficulties as they grow older?

A Dr. White is doing an interesting study on that right now. He has physical examinations of football players beginning back about 20 or 25 years ago and is following them up to find out the rate of mortality. What he has done is to find out what their experience has been since that time. The last time I saw him he had gotten a fairly complete follow-up, and he indicated that their experience in mortality was going to be pretty much that of the general population.

Q So you don't think there is any clear-cut evidence that exercise affects your chances of heart attack?

A Dr. White feels very strongly that exercise is a good thing.

Q Didn't he make the statement that the President's golf had no relation to his attack?

A He did. He said he saw no reason to think that it was related, and in his opinion the person taking regular exercise would be more likely to be protected against a heart attack.

In other words, a person who had a heart attack at 65 after playing a round of golf might conceivably have had the attack at 45 if he hadn't been a devotee of golf. There is no way, really, of answering that question for the individual. I don't think any sport in which you are trained is really dangerous—except football players may break bones, and so on.

Q But wouldn't you say that one's exercise should be moderate?

A Excesses in anything are harmful. The problem is to determine just how much exercise is moderate or excessive for any one individual.

Q What about stresses and strains from worry?

A What sort of stresses and strain?

Q Tension, long hours of work—

A But one of our problems is to measure or determine that—this nice little abstract term of "stress and strain."

We know what we mean when we say that as individuals, but when you try to put it down in a way that you, or you, would agree constituted stress and strain to you, it is very difficult because it isn't something we can all agree on.

Q Well, if a person gets excited, is that bad for him?

A Not necessarily. When you get excited and when I get excited, does it have the same effect on us? So, when we say "stress and strain" we are really trying to describe something which we recognize exists, but as yet we haven't got the tools to measure it effectively.

Q How about smoking?

A Again, moderation or lack of it may have some effect. Statistically you can show that people who are heavy smokers have a somewhat poorer life expectancy than those who are not heavy smokers.

The life insurance companies up to now have not felt that there was a sufficiently reliable difference in actuarial risk to warrant higher rates for those who smoke heavily, whereas those who are quite overweight do find they have a higher premium, as a general rule, when they come up for insurance.

Q Isn't it a frequent recommendation following a hear attack that smoking be discontinued?

A Yes, and for good reason. When you have a heart attack there is reason to believe you have damaged blood vessels. And it has been demonstrated, both experimentally and otherwise, that in some types of disease the effect of smoking is to constrict the blood vessels.

So, just as a matter of precaution, we play it safe and advise not to take on smoking in a situation where a constriction of the blood vessel might be harmful.

Q Do men get more heart attacks than women?

A Yes, for some reason or other men do have more heart attacks and at earlier ages than women.

WHY WOMEN FARE BETTER—

Q Is that because men work harder?

A This is unlikely. We are trying to find the explanation.

Q Do you have any clues?

A Yes, I think there are some clues. Until the answer comes in, you don't know whether they are good clues or bad clues. Just like any investigation of a murder mystery you have a lot of clues and the job for the detective is to find out which clues are real ones and which ones are red herrings.

Q What clues do you have?

A One of the clues that has been given most attention is the very obvious difference between men and women. One of the big differences is their hormonal balance. The hormones that are produced by the reproductive organs in men and women are different hormones, and the extent to which these hormones influence the development of arteriosclerosis is one of the studies being made at the present moment.

Q How do you do this?

A We are doing this in two ways; one, by studying people and what in fact are their hormonal balances, the study of the blood—this is a very complicated chemical analysis and we are just learning how to do this more effectively; and the other one is by experimental work in which differences between male and female animals are observed.

Dr. Louis Katz [director of cardiovascular research at Michael Reese Hospital, Chicago] has done some extraordinarily interesting work with chickens, in seeing if he can get these animals to develop a disease in their arteries like arteriosclerosis.

. . . "Few heart attacks are predictable"

He has been able to show that the cockerel can, under experimental conditions, be made to develop this disease much more effectively. And by using the female sex hormones, and in the sense of converting these cockrels into pullets, you can change and modify the course of this experimental disease.

It's a long way from chickens to man and I don't think we can do more than say that this is a clue which looks good.

Q What about body build—does that have any effect?

A It is suspected of having some relationship, just as your ancestors are suspected of having some relationship, just as your maleness, your femaleness, your type of work—all these things—have some effect.

Q What about the hereditary factor? If several of one's ancestors died of heart disease, does that make one more likely to have a heart attack?

A The best answer I suppose we can give is a sort of indirect one, which is one I have heard other people use—the best way to insure yourself against heart disease is to pick your ancestors.

Q That would indicate a pretty strong tie.

A Yes, but it is not clearly documented in the same way as, say, such a thing as hemophilia has been shown very definitely to have a genetic relationship.

DO EXECUTIVES DIE YOUNG?—

Q Does it seem that executives die younger than others? Are there any statistics on that?

A If executives do die younger than other people—and I don't know that they do—there could be many other factors besides heart attacks to cause it.

On this question of executives, a man in Chicago just recently began to look into the reported mortality from heart disease in different classes of people, just as reported by Chicago physicians.

One of the things he found quite interesting was that the women, who have a somewhat lower attack rate, had a quite different experience of mortality when compared in these different classes. It turns out that the woman executive had the more favorable [lower] mortality experience of any and that the housewife had somewhat the highest of the group.

Q What about coffee, or stimulants of any kind?

A Well, sometimes we have to take away some minor pleasures from people who have had a heart attack, to protect the damaged heart.

Q Is there any relation between immoderate drinking and heart attacks?

A Immoderation of any sort is bad, but I don't know of any direct relationship.

Q Well, so far you have advised moderation as one way of reducing the danger of a heart attack. Is there any advice you would give besides moderation?

A I think the practical advice that anyone should have is to really have good personal medical care. In other words, get to know a physician, get him to know you and go to him with your health problems.

Q Could a medical checkup catch one of these fatty accumulations that cause heart attacks?

A At the moment, we don't have any direct way of measuring that in a blood vessel inside the body.

Q Would an electrocardiogram show it?

A An electrocardiogram could not accurately predict a heart attack, but an electrocardiogram showing certain temporary changes after exercises could be interpreted as indicating probable coronary arteriosclerosis which might later lead to a heart attack.

Q When a physician uses his stethoscope, what does he find?

A Actually, besides listening, a physician does many other things at the time he examines your heart. He uses his eyes and his hands as well as his ears. The first thing that he determines is the rate, rhythm and size of the heart.

We know that if the heart rate were unusually rapid he would suspect possibility of certain types of heart disease and investigate it. If the heart rate were irregular, he would want to know more about that irregularity.

In addition, he listens to what we speak of as the quality of the heart sounds. Then, the final thing he listens for is the presence or absence of a murmur.

Q What is a murmur?

A A murmur is an abnormal sound which is usually produced at a valve and is commonly produced at that valve because there is some abnormality in the valve.

I said commonly—not always, by any means—because there are many heart murmurs that mean absolutely nothing. It depends on their location, their intensity, the way they are transmitted and other factors with regard to the murmur. So the mere fact that a physician hears a murmur means nothing, on the surface, except that he must qualify, classify and evaluate that murmur.

Q After all this examination, can a doctor tell in advance whether you are going to have a heart attack?

A Well, let us say that few heart attacks are predictable. Not all are even diagnosable.

Let's consider the term "diagnosable" heart disease. I think that is important to emphasize, because there do occur clots in some arteries of the heart which never produce any symptoms that a physician can interpret in terms of an actual coronary occlusion.

Let me re-emphasize this point, because it is really very important. It was not until the 1920s that the term "coronary thrombosis" came into widespread use. People had been dying of coronary occlusion for years before.

STOMACH VS. HEART—

Q What did they call it then?

A Lots of terms—one of the commonest was "acute indigestion."

Q Are you saying that a lot of people who think they have had an upset stomach may have actually had a mild heart attack?

A I wouldn't put it quite that way. I would say, rather, that the symptoms of heart disease may be so vague and ill-defined as to prevent the physician from saying conclusively that this was, in fact, a heart attack.

Q A person could have what he thought was a digestive attack but really have had a mild heart attack?

A That is true. He also could have had no signs, whatsoever, and also had a heart attack.

A person also could have thought he had a heart attack and turn out only to have had indigestion.

Q Well, then, what should an individual do in order to know whether something is going wrong with his heart?

(Continued on next page)

. . . "Today we can modify high blood pressure with drugs"

A He should go to a physician when he has anything that worries him. An individual, unless he has the skill and training of a physician, cannot be expected to interpret the signs and symptoms of illness.

Q Should one have his heart examined regularly?

A I want to emphasize that it is not enough just to get a regular examination. You should get a personal physician, get to know him and get him to know you, and this can be done.

If you've got a man who knows you and your problems I think you are in the position to get the best possible advice as to what is moderate for you and what is immoderate for you with respect to health matters.

May I take that just a little further? I think from that standpoint you shouldn't confine that consultation with your physician to a particular calendar time of the year but, as it has been widely publicized with cancer, there are certain danger signs—

THE DANGER SIGNS—

Q What are the danger signs to watch out for in relation to heart disease?

A I think, in relation to heart disease, one of the most important things to the average layman would be a realization over a recent period of time that he was not able to do the things that he was able to do prior to that time.

That, too, takes intelligent interpretation—because even at my age, or considerably younger than my age, we realize that physically we are not the man we were at 20 or 25; and we naturally and intelligently must concede that we can't expect to do the things we did five years ago and do them as well insofar as our physical capacity is concerned.

But, on the other hand, if you found that you had been taking regular walks, say, on the week end, and you suddenly were not able to walk as far as you were walking a month or even six months ago without getting quite short of breath or without developing some feeling of tightness or constriction in your chest, or without some other such symptom occurring, I think that's the proper time to consult a physician, even if he checked you over a few weeks ago.

In other words, anything that seems out of line should alert one to consult a physician.

Q You mean if you have any unusual pain in your chest you should go to your physician?

A Yes, if you awoke at night and found that you were unable to breathe comfortably lying down and had to use two pillows where previously you had been sleeping without a pillow, or one pillow—even if that feeling subsided in five minutes when you were sitting on the edge of the bed—that would be something to alert you.

Q Can that kind of thing be psychological sometimes?

A Oh, yes. But at least a doctor could tell you whether it was or not. That is why I emphasize getting the doctor to know you, because all of us misjudge our symptoms. The best way is to report, without trying to judge for yourself, that which you think is abnormal, and let the physician come to the judgment. That is what he is trained to do.

Q Are there some types of heart disease which the doctor would be able to catch in time?

A Yes. There are several kinds of heart disease which are both preventable and curable. This is so because research and experience in recent decades has determined the causes of these kinds of heart disease and methods for their prevention and cure.

Q What are these kinds?

A These preventable and curable heart diseases include those caused by anemia, vitamin deficiency, overactive thyroid, underactive thyroid, syphilis and many other infections and some kinds of congenital abnormalities.

Q What about rheumatic heart disease?

A I am glad you brought that up because I think we did not emphasize enough the fact that we can do a lot to prevent rheumatic heart disease today with the knowledge we have of the disease.

Q How do you prevent rheumatic heart disease?

A Most attacks of rheumatic fever follow streptococcal infections. Prompt and adequate treatment of streptococcal infections, we now know, will usually prevent the occurrence of rheumatic fever. This is why it is so important for all persons with sore throat—one of the commonest symptoms of streptococcal infection—to be seen promptly by a physician.

Furthermore, among persons who already have rheumatic fever, the prevention of streptococcal infections is the important thing we can do to prevent recurrence of rheumatic-fever attacks and accompanying heart damage.

Even for patients who have hearts damaged by rheumatic fever in the years past, there are surgical techniques, unknown a few years ago, which will help many of them today.

Q You also have something to control high blood pressure, haven't you?

A Ten years ago when a man came in with hypertension you could do little for him. There has been a major change. Today we can modify his high blood pressure with drugs. During recent years a number of drugs have been developed which reduce high blood pressure, and research is still trying to find the cause of high blood pressure so it can be prevented before it starts.

THE HEART AS PUMP—

Q You have called the heart a pump. Could the heart be likened to a machine in the way it works and the way it should be taken care of?

A The heart is a pump. It does work. To do this work, it has to have energy. It has valves. In these ways, it is like any other pump.

But there its similarity to a machine pretty much ends. The heart, unlike any machine, is a living organ within a living organism. The heart, therefore, is obviously different from and much more than a machine.

Q But is it enough like a machine that the better care you take of it the more mileage it will give you—like an automobile engine?

A Yes, if you take good care of your heart it will last longer, and so will you.

But taking good care of your heart is considerably different from taking care of your automobile. The heart is, after all, a part of the body as a whole, and almost anything that affects the general health of a person may, to some extent at least, affect his heart.

The best way to take care of your heart is to take care of your general health. This includes adequate nutrition, prevention or prompt treatment of infections, suitable exercise, good emotional adjustment and a continuing close relationship with your own doctor.

WHAT AIR FORCE IS DOING TO EASE HEART RISKS

An Interview With Maj. Gen. Dan C. Ogle, U.S. Air Force

MAJ. GEN. DAN C. OGLE, Surgeon General of the U.S. Air Force since June, 1954, pioneered in the study of medicine as it relates to aviation. He is a graduate of the University of Illinois College of Medicine.

General Ogle entered the Army Medical Corps in June, 1929, was transferred to the Air Force in 1949.

The 54-year-old Surgeon General recently voiced concern over the deaths of a number of young generals from heart attacks. He has issued instructions to Air Force officers to avoid unrelieved tension, take time out for recreation after working long hours.

Q General Ogle, the Air Force has advised its top-level officers, as a health precaution, to start taking one afternoon off a week, hasn't it?

A No instructions have been given as to who or what rank should take special measures as far as their health is concerned. The instructions will be general in that they will be applicable to any executive-type person—or any person who has a position that is very trying—in order that they will be health-conscious and not allow their job to throw them.

Q Isn't it interpreted in the press as instruction to take an afternoon off during the week?

A A more accurate interpretation would be that the individuals are enjoined to take some time off during the week—not necessarily an afternoon off. But if their jobs have required extra time, nights or week ends, certainly they should take time off otherwise to compensate for it in order to strike a healthful balance between their jobs and their recreation.

Q What do you suggest they do—sit at home and read a book; go out and play golf?

A Our feeling is that there is no specific type of exercise that should be applicable to all persons. What's one person's meat may be another person's poison as far as recreation is concerned. In general, I do feel that outdoor exercise is a recuperative process. The main thing is to disassociate themselves from the various conflicts and frustrations of their daily jobs. Some may do it by golf, others by tennis, some with much less strenuous physical exercise, such as fishing, boating, gardening or even walking.

Q So it's not actually the exercise that's going to be helpful, but the getting away from job tensions?

A I would say that getting away from the tension is primary.

Q Is this on the assumption that the stress and strain of the job make the officer more subject to, say, a heart attack?

A Yes, I would think that it is possible the stress and strain of the job would make them more subject to heart attacks, as well as to other debilitating influences.

Q Has the Air Force actually discovered some relationship?

A The work that is being done and has been done on that is not ready for publication or release at this time. Research is being accomplished, just as you suggest.

Q But there is something that would indicate a connection between the amount of work an individual does and the likelihood of his getting an attack?

A Not necessarily. The amount of work a person does is not as incriminating as the manner in which he does it and the circumstances under which it must be accomplished.

Q Then hard work doesn't necessarily harm an individual?

A I wouldn't think so.

Q Would that mean hard physical work as well as hard mental work?

A You must be conditioned for any work you do and maintain your condition for it, rather than allow yourself to do hard work by spurts.

Q Wouldn't the things you have found applicable for officers also be true for the average civilian?

A Oh, yes, indeed. There's nothing peculiar to an Air Force assignment that makes them any different from anyone else.

Q Could you be a little more specific on the advice you give to your officers?

A One of the measures we are following is a course of health education which covers all phases of health—the maintenance of health, the measurement of health. We accomplish it by a course of educational papers and pamphlets that are published by the Air Force through medical channels and also through command channels. The simplest answer to your question is that we encourage all personnel to avail themselves of leave throughout the year and encourage all personnel to avail themselves of additional rest providing they find themselves working overtime for any period of time.

Q If an individual has been a desk worker for a good part of his life, should he suddenly start taking this day off and begin exercising?

A He should certainly have adequate time off, and gradually adapt himself to a little more muscular activity than he's found at his desk.

Q But it's not a good idea for him to go out suddenly and play a couple of sets of tennis?

A Very definitely not.

Q Would that be hard on his heart?

A Yes, sir, under the circumstances you mention.

Q What is a good amount of exercise for a person who is not used to much exercise?

A That's a difficult question to answer because some may be highly competitive, forceful individuals, who would not be content to play an easy game of golf or an easy game of tennis. On the other hand, I think I could play a game of golf and be pretty well relaxed, because I'm not particularly competitive from a physical standpoint. But if you are, you can hurt yourself by overdoing it unless you are in proper training.

Q What about walking?

A Walking is excellent.

(Continued on next page)

. . . "Of 300 killed in Korea, 77 per cent had diseased arteries"

Q Is the incidence of heart attacks among military people higher or lower than among civilian groups?

A The best statistics we have at the moment indicate that the incidence of heart attacks among military people is lower than it is in comparable civilian age groups.

Q Is there any reason given for that?

A There are several reasons. One is that the individuals in the military service are generally selected on a physical-examination basis. They are retained in service on the basis of their physical capabilities of doing duty. They are examined periodically to be certain that we find debilitating conditions or diseases very early or in their incipiency. We maintain a health-education program for them.

Q Do you have a system for keeping a pretty close eye on your higher executives—the general and colonel levels?

A Yes, we do. We call it the executive-type physical examination. However, it is also applicable to those who haven't perhaps reached an executive position yet.

Q How often are they examined?

A They are examined every year, preferably in the period of 60 days prior to their birthday.

OFFICERS' CHECKUPS—

Q Does it involve anything besides a normal physical examination?

A It involves a careful history taking of the individual to determine what symptoms he has developed, what special feelings he had about his health in the intervening year, and a check of his blood pressure, his heart and lungs by physical examination, X ray and electrocardiography, and a very careful general examination to see if there is any incipient disease process of any kind. This is followed by any special diagnostic process that is indicated.

Q With all these constant studies being made of these officers, have you developed techniques for predicting which type of individual is likely to have a heart attack?

A No, we can't tell.

Q There's nothing the average individual or his family physician could watch for?

A Well, you can look for changes as indicated by symptoms and by physical examination. New types of examinations are being done, and there are a few physicians now who are gathering statistics and who feel that they can predict—not with any high degree of accuracy, but with a degree of probability—prior to a gross attack. They are recommending also certain precautionary measures that they hope will postpone them.

Q What signs do these physicians go by?

A The main indication we have to go on today are the physical examination, a very careful questioning of the individual as to symptoms he might be having, selected and modified determinations of his physical capacity and his heart's reaction to exercise, as well as studies of the blood to see what his blood chemistry is.

Q Would anything show in such studies that might be a clue to a relationship between job pressures and heart attacks? You indicated there may be some such clues—

A We feel—and by "we" I mean the investigators in the medical profession—that heart conditions can be aggravated if not actually precipitated, providing a certain underlying and basic pathology is present, by emotional factors and stress and frustration, fatigue. We feel that those factors can perhaps be precipitants of heart symptoms just as they frequently are in other diseases. Not that they are the causative agents—but perhaps I can explain it in this manner: Consider a balance scale—you know, the old-fashioned weight balance. One pan we'll call the good-health pan; as long as it is down, the man is apparently healthy. The other pan is the ill-health pan. Onto it we can throw a dietary indiscretion, excessive smoking, drinking indiscretion, stress, strain, overwork, worry, emotional upsets, common colds, other types of infection. If you keep adding such things, eventually some little thing upsets the balance and away goes the man's good health, the balance is upset.

So when you ask me to state just what factor it is that causes his ill health, I don't know. But I do know that that is the reason why certain various cults can remove one thing and thereby "cure" the man—it just tips that balance back to apparent health. I feel that stress, emotional strain, overwork, fatigue added to this ill-health pan will make it go down. Perhaps that is a more common factor than we realize. If we can remove such factors, we allow a man's health to be restored.

Q Just those things alone would not necessarily be heavy enough to weigh the pan down? I mean working under pressure by itself would not be enough?

A I wouldn't say so—I would say he would have to have some basic pathology present. While we are on pathology and heart conditions, it is interesting to realize that about three fourths of the young men in this country have coronary pathology before they reach the age of 30.

Q You mean there are conditions in the arteries which might later lead to heart failure?

A Conditions in the arteries which in a minor way perhaps are heart attacks.

HEART DISEASE IN YOUNG—

Q Is that because of something in the diet, or what?

A I don't know exactly. Dietary habits perhaps are contributory. You may be acquainted with the work done by the Army in analyzing a number of young men who were killed in the Korean conflict. Their hearts and coronary arteries were examined. I have the figures here of one series of 300 cases in which the average age was 22 years, the incidence of diseased coronary arteries was 77.3 per cent.

Q That would indicate that nearly everybody even at a very young age has this condition.

A I believe that is a reasonable assumption. Such findings have been noted in 3-year-olds.

Q Should we worry about that?

A No, you should not worry about that any more than you worry about other things which you should be educated to understand so far as your good health is concerned.

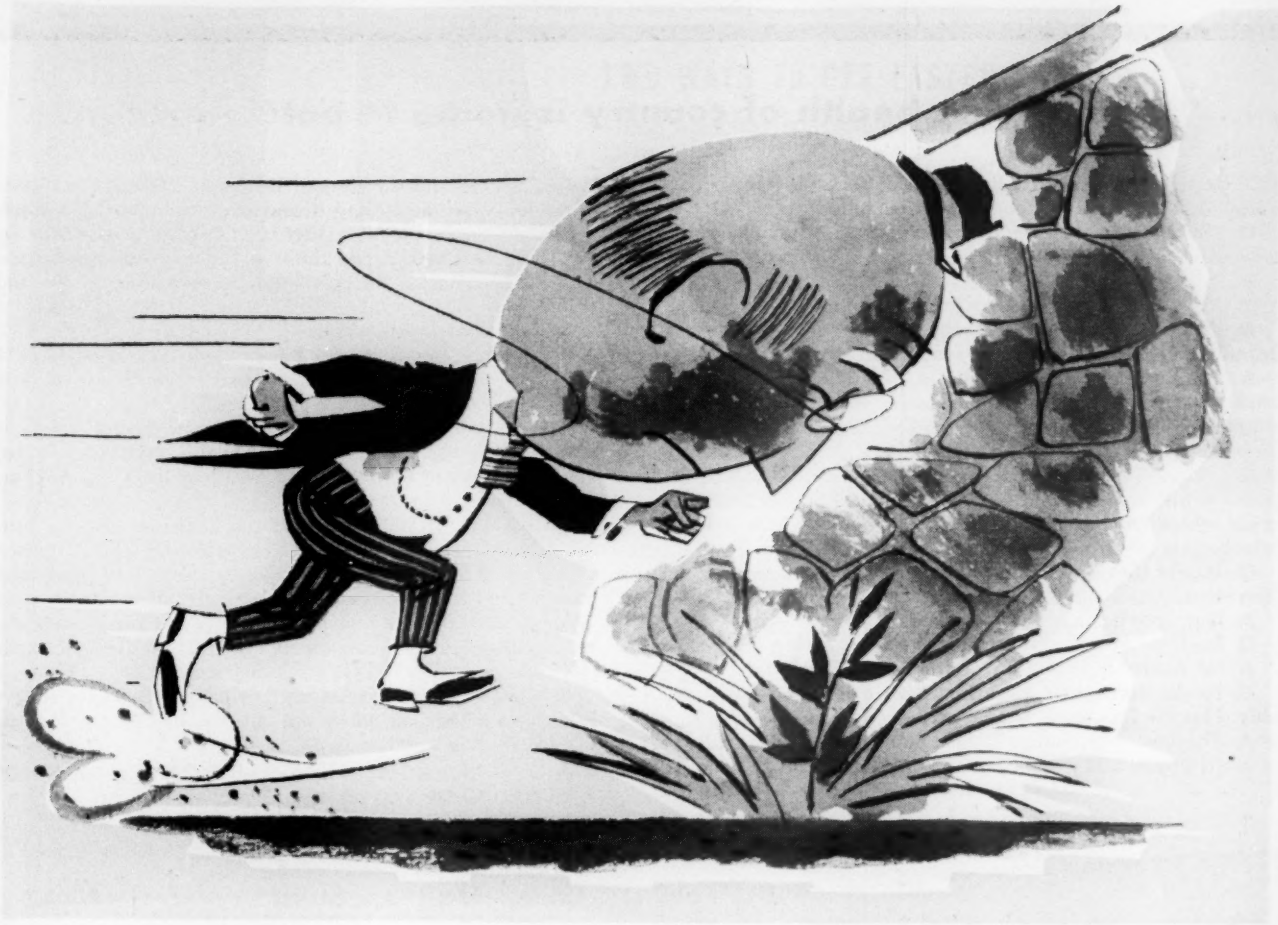
Q Is it possible for an individual who thinks that that condition exists in his body to worry about a heart attack so much that he could bring one on?

A That worry can go in the balance pan along with other things.

Q Doctor, do you mean that 77 per cent of these young men had conditions which might bring on a heart attack or that they have had a heart attack?

A We won't say that they have had a heart attack. But they had abnormalities of the coronary arteries, indicating

(Continued on page 86)



Why don't you do it the easier way?

Some people go through life butting their heads against stone walls. Other people ship through Newport News, Virginia. You'll be surprised at the enthusiastic cooperation you get at this friendly port and how much simpler it is to get things done.

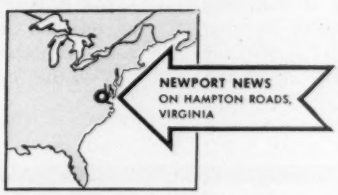
For one thing, there's no drayage or lighterage at Newport News because the railroad tracks run right alongside the ship. Your shipment never has a chance to get lost in a strange city, it's safely loaded on a freight car almost as soon as the ship docks.

And another thing to remember is that to most midwestern U. S. points the inland freight rates are lower through Newport News. Learn all about Newport News' many advantages. Write for free booklet to:

Chesapeake and Ohio Railway

World Commerce Department
Newport News, Va., U.S.A.

Chicago 4, Ill.....327 So. LaSalle Bldg.
Detroit 26, Mich...525 Lafayette Bldg.
Richmond 10, Va.....909 East Main St.
New York 7, N. Y.....233 Broadway
Stockholm, Sweden.....Kungsgatan 7



SHIP THROUGH
NEWPORT NEWS, VIRGINIA
it's easier
and saves dollars

. . . "I don't think health of country is going to pot"

that they have been partially diseased, that they were partially occluded, some of them totally occluded.

Q Then abnormality would be normal? Most people would have some susceptibility, some likelihood of a heart attack?

A I think we are all heir to a lot of pathology and aging. We begin to age from the time we are born.

Q You mention diet as perhaps being implicated. Should an individual leave out certain foods, and, if so, which ones?

A The medical man's opinion on this is not firm, but the tendency has led more and more people to believe that foods containing fats, particularly animal fats, will contribute to a higher cholesterol content in your system. And one theory is that a high cholesterol content of the blood may make deposits within weakened areas of blood-vessel linings and form areas where trouble can later develop—maybe cause a heart attack.

Q Would that mean pork chops are more dangerous than lean steak?

A Pork contains a higher percentage of fat.

Q But fried foods wouldn't be as bad as eating ice cream?

A No matter how you fry or freeze it, it's still fat.

Q People are eating more fats than ever before, presumably. Has the incidence of heart attacks gone up steadily?

A The best information I can obtain is that the incidence of heart attack has not increased between World War I and World War II and the Korean situation. I think we are more competent now in finding it and diagnosing it. In autopsies performed on people who died from long starvation, the coronaries looked better than those who died from other causes.

Q Does it mean this condition is reversible in the individual?

A Yes, to a certain extent.

Q In other words, if you have eaten too much fat in the past and start tapering off you may remove some of the blockage to the arteries?

A That would be a consummation to be desired.

Q We've been talking about ill health—can you give us a general picture of the all-around health of the U. S. Air Force at this time?

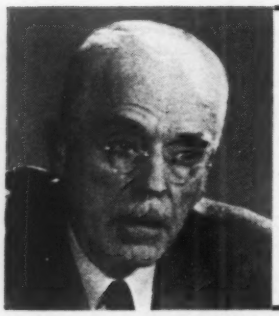
A I would say definitely that the health of the Air Force is better than the health of any other military force in history. Our disease incidence is lower than it has been in previously recorded military medical histories, and our noneffective rate—that is, the rate that tells how many people can't be on duty because they are ill—our noneffective rate is the lowest that has ever been recorded for a military force.

Q This may not be connected with the Air Force, but we hear it said that the health of the country is going to pot. Could you comment on that?

A No, I don't think the health of the country is going to pot.

ABC'S OF HEART ATTACK AND RECOVERY

An Article by Dr. Paul D. White, Heart Specialist



DR. PAUL DUDLEY WHITE, *69, has been active in medical research, practice and teaching since 1914. He is the author of textbooks on heart disease used throughout the world.*

Dr. White studied at Harvard Medical School and in London, has been on the staff of Massachusetts General Hospital, in Boston, since 1919.

In recent years Dr. White has traveled to many countries of the Western world as a member of medical teaching missions. He has said the heart "is too much feared and coddled" simply because it is "the most immediate vital organ" of the body.

Following is from the pamphlet, "Heart Disease Caused by Coronary Arteriosclerosis," written by Dr. Paul D. White and published by the American Heart Association:

Mr. Brown, a business executive in the middle 50s, had eaten an unusually hearty dinner after a long hard day at his store and had retired early, feeling tired but otherwise well. Sometime shortly after midnight he was awakened by a sensation of heavy pressure under the breastbone. . . . It persisted and grew more and more severe, although Mr. Brown took baking soda and drank hot water. He felt faint and broke out in a cold sweat.

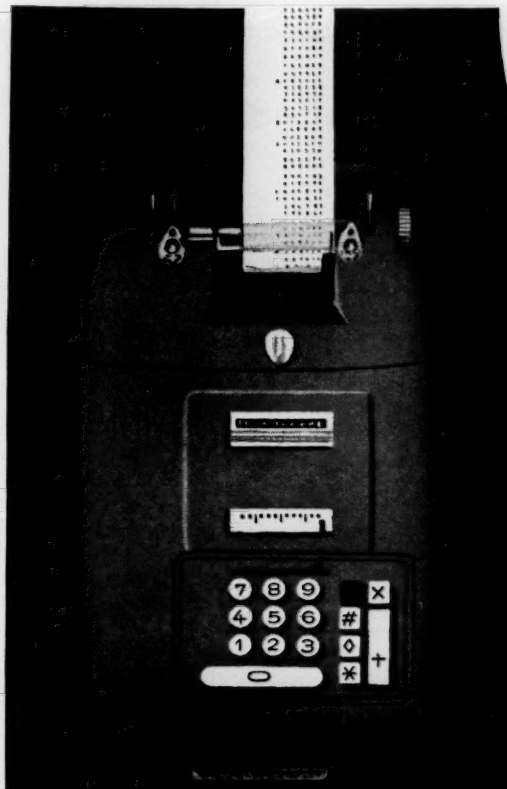
Unable to endure the pain, he agreed to have his wife call the doctor, who arrived at 1 o'clock in the morning. By that time he was in agony and the doctor gave him two hypodermic injections of morphine about 20 minutes apart before he felt any relief at all.

He dozed fitfully through the night and the pain continued in gradually lessening degree until about noon the next day. After that he was exhausted and a little feverish in the evening (100 degrees Fahrenheit by mouth). The day after that he felt much better despite a higher temperature (101 degrees). The fever lasted altogether four days but he had no more pain at all.

Within a week of the onset of the pain he felt perfectly well, but the doctor wisely insisted that he remain, with head elevated, at complete rest in bed (although he could be lifted at times into a chair) for another two or three weeks in order to ensure an adequate healing of the injury in his heart.

Not having been confined to bed by illness for many years, he rebelled at first, but when the doctor explained what was going on in his heart he acquiesced. For the first two weeks he was on the "danger list" (a wise routine measure) and lay very

(Continued on page 88)



TWO WAYS TO GET FASTER FIGURES

These work-saving, time-saving office machines simplify work and speed results

COMPTOGRAPH "202"

The all-new, all-electric Calculating-Adding Machine

Figures faster than you think. Adds, subtracts, multiplies and even divides. Unusually quiet, super fast at 202 printings per minute. Visi-Balance Window automatically shows debit or credit balance. Compact keyboard, scientifically grouped, eliminates lost motion. Backspacer wipes out improperly indexed figures.

COMPTOMETER

The world-famous Adding-Calculating Machine

Floating touch for faster work. Direct-action for instant answers. Three-way control protects accuracy—signals the operator by sight, sound, touch. Electric and non-electric models. Get a demonstration on your work—of either the Comptometer® or the Comptograph—look up the Comptometer representative in your Yellow Pages or mail the coupon.

FELT & TARRANT MANUFACTURING COMPANY

1726 N. Paulina St., Chicago 22, Ill.

Gentlemen: Without cost or obligation—

- ☐ I want more information
- ☐ Please arrange an office demonstration
- ☐ Please arrange for a free office trial
- ☐ Comptograph "202"
- ☐ Comptometer

Name _____

Company _____

Address _____

City _____ Zone ___ State _____

The COMPTOMETER® DICTATION MACHINE is also a product of Felt & Tarrant Mfg. Co. Offices in principal cities and throughout the world.

. . . "Future life but little restricted" after typical attack

still except for some gentle foot exercises to ward off "phlebitis" in his legs (a clotting of the blood in the veins), but during the remaining time in bed he was allowed more activity. He fed himself and had visitors and even two or three brief business conferences, since no complications had arisen.

If Mr. Brown had a fairly large area of heart muscle damaged (infarcted) and was cared for in a hospital with adequate laboratory facilities, he was given one of the relatively new anticoagulant drugs to help to prevent the formation of thrombi (blood clots) in heart or blood vessels which can result sometimes in serious complications. Also he received quinidine sulphate several times a day for a fortnight to try to prevent any troublesome arrhythmia [variation from normal rhythm] of the heart.

After three or four weeks, Mr. Brown no longer had to be helped into a chair. For a week he gradually increased the time he spent sitting up each day. The second week he walked about a little more each day on one floor. The third week out of bed he began going up and down stairs once each day and during the fourth week he went out for a short daily walk or drive.

—American Heart Association

HEART WRITES ITS OWN STORY

"Electrocardiogram . . . to show condition of muscle"

Thus there passed tediously but uneventfully two months of convalescence, and it was not too difficult then to induce, or rather advise, Mr. Brown to take one more month, his third, to complete his rehabilitation away from home, getting mild exercise and restoring his morale, which had at first been badly shattered by this unexpected disaster. He resumed his work slowly but within a month was back in the swing of it again, though avoiding long hours and the more severe strains, both physical and mental. He also ate lightly, lost some excess weight, and wisely did not resume the tobacco which he omitted the very first day of his illness. A year later he was in excellent health, free of all symptoms.

Although the clinical diagnosis of Mr. Brown's illness was clear, several electrocardiograms which were made over the course of his convalescence, beginning with one 12 hours after the onset of the pain, were corroborative of injury to a portion of the wall of the heart.

Now what happened to Mr. Brown's heart? . . . His coronary arteries had in the course of years become sclerosed (hardened) and narrowed, but not to the point of causing heart-muscle ache on the occasion of his mild, daily routine effort; he had long ago given up sports and any more exercise than walking a block or two at a time.

For some reason, not yet wholly clear, a blood clot had formed rather abruptly that night in a roughened narrowed part of a branch of the left coronary artery. The clot blocked the blood supply to an important part of the heart muscle, which began to ache. The ache did not subside . . . for the heart muscle continued to be deprived of its blood supply while carrying on its regular contractions. For hours the disabled piece of muscle, perhaps the size of a walnut, continued to struggle along in its work with the rest of the heart, but as more and more of the muscle fibers became swollen and defunct they ceased to contract and the pain slowly subsided.

By the time the pain had gone away there had developed in the heart a considerable bruise, and it was the reaction to this injured muscle, acting like a sterile abscess, that caused the fever. Toward the end of that first week and in the early days of the second, the heart wall at the point of injury was at its weakest; during that time there was a real danger of rupture, with hemorrhage into the pericardial sac and death. Hence the need of complete rest during those critical days when on the surface all seemed to be going so well.

AS HEALING BEGINS—

During the second week of the illness the process of repair begins, with the appearance of "fibroblasts," or building cells, and of new little blood vessels (capillaries), but there is no strength to the scar until the end of the third week. By the end of the fourth week the scar has begun to contract and during the second month it becomes solid, so that with an injury of small to moderate size it is safe to resume ordinary living during the third month.

An important though secondary reparative process that takes place during those early months is doubtless the development of a more adequate collateral circulation. Just as a bone fracture heals with care and time, so, if all goes well, with ordinary luck and care three months is sufficient to place in the category of past history this episode of myocardial infarction caused by sudden closure of a coronary artery by a blood clot. But in a few cases complications may delay the healing process and prolong the convalescence, sometimes to an exasperating degree.

In the absence of angina pectoris [described later] or much cardiac enlargement, either of which may follow cardiac infarction, the future life of the individual needs to be but little restricted, in fact not much more than after the healing of a broken leg. Common-sense measures are all that are required; there is no need of medicine except for special symptoms or complications, although it has been found helpful in a good many cases to give anticoagulants and quinidine during the first weeks of the acute illness while the patient is at rest in a hospital.

Life may continue uneventfully for many years after myocardial infarction, and death may ensue 5, 10, 15, 20, or even 25 or 30 years later of some cause other than heart disease.

(Continued on page 90)

This small plant helps build the world's mightiest bomber

Sounds impossible? It's a fact. This small, neat plant does a big and important job in protecting national security. It is Plasteck, Incorporated, which produces illuminated panels of laminated plastic for the Boeing B-52, mightiest of the world's global jet bombers. The Poteau, Oklahoma, factory employs 125 workers, making it a small business by definition of the Federal Government.

But this plant could as well be a tool-and-die works in Indiana . . . a small and highly specialized manufacturer of aircraft fasteners in Alabama . . . a fabricator of sheet metal parts in California. It could be any one of about 3,500 small businesses, each employing fewer than 500 workers, which are subcontractors and suppliers for the B-52. There are also nearly 1,000 larger firms supplying everything from rivets to complete subassemblies for this "long rifle" of the Air Force.

Many of the small suppliers and contractors for the B-52 also furnish parts and assemblies for other Boeing planes: the B-47 jet medium bomber, the KC-97 aerial tanker, and the forthcoming KC-135 jet tanker-transport. But there are many *additional* suppliers, too, for these planes. Again, roughly three-quarters of them are small businesses.

This network of suppliers—small and large—skilled in aircraft work, provides Boeing, and the nation, an unique flexibility in undertaking new projects, and for quick expansion in the event of a national emergency. In addition, other manufacturers supply equipment for the B-52 and other Boeing airplanes under separate Government contracts: engines, radio, radar, autopilot, armament, and so on. In many cases these manufacturers, too, have their own small-business subcontractors and suppliers throughout the land.

B-52s are now being delivered to Strategic Air Command. As one of the most powerful protectors of our country's security, it is fitting that the B-52 should be a nation-wide project. Small, medium and large businesses in 35 of our 48 states help produce it.

BOEING

. . . "Fat tends to clog artery as rust clogs a water pipe"

Only in the minority of cases is the attack itself fatal, usually within the first few hours or days. In another small group, disabling complications such as congestive heart failure may develop to limit life and activity.

Cardiac infarction may recur in another part of the heart in some cases after some months or years, to leave further scars which may or may not be well borne. Or angina pectoris may develop as a complication, or continue, or even disappear if it was present prior to the coronary thrombosis. Thus many courses are possible and it is hazardous to prophesy in any case.

Planning for the future should be postponed until after the first few weeks. It is usually unnecessary to retire. Many persons do quite well, much better, in fact, than was thought possible 25 years ago when the condition began first to be widely recognized and distinguished from "acute indigestion" with which it had for so long been confused.

AN ATTACK OF ANGINA—

It was a clear crisp morning late in the fall. The first white frost was on the ground. Henry Smith was a little late in finishing his breakfast and had to hurry to the station to catch the 8:15 for town, where he had an important appointment in his law office. It was his 52d birthday and he had taken this half-mile walk nearly every weekday morning for the past 10 years, ever since he had moved his family to their new suburban home. He had never felt better than on this fine day, and the cold air was good to breathe as he hurried along.

Suddenly he felt a pressure under his breastbone. He wondered what it was, fearing that it must have been that last mouthful of breakfast which he had swallowed so hastily. The pressure sensation grew more painful and with it he began to notice a tingling in his left arm. He had to slow down but he didn't stop because he heard the train coming. Just barely he swung on to the last car and sank exhausted into the first vacant seat. Gradually the oppression subsided and within five minutes he felt perfectly well again.

Although puzzled by what happened, he quickly forgot this incident until three days later when he was returning to his office from luncheon in town with a friend whose pace was more rapid than his own. While walking on the level he felt all right, but when they reached the moderate grade rising to his office building he began to notice the same sensations in his chest and arm that had troubled him a few days before. They were more severe this time and he was obliged to stop on the sidewalk for a minute or two till they began to subside, before he finished his return at a much slower gait. His friend, solicitous about him, persuaded him to see his doctor; he called up his family physician and that evening went to see him. Physical examination, including the blood-pressure measurement, was entirely normal and Mr. Smith's medical history, past and present, showed nothing amiss except for this one symptom. In fact he was an unusually strong and robust man, athletic in his youth but careless about his figure as the years went by; he had gained 30 pounds in 20 years.

Dr. Jones, desiring more evidence to back up his suspicion of heart trouble, sent Mr. Smith for a special test of the electrical action of the heart, called an electrocardiogram, and asked for expert interpretation of it. This record showed certain abnormalities often found in the disease under suspicion.

Thus Mr. Smith, with the clear-cut diagnosis of heart disease, as manifested by the symptom of angina pectoris and also by the electrocardiographic abnormality, joined the ranks of the thousands of persons of about his age, mostly business and professional men, so afflicted.

At first he rested for a few weeks, not in bed but avoiding all heavy strain, physical and mental, to help the adjustment going on in the circulation in his heart muscle and to avoid untoward accidents, even sudden death, which might come with unusual physical strain. Quiet activity at home or away, including simple stair climbing and leisurely walks, caused no trouble and were good for him during this period of rest, provided they caused no discomfort.

He also lost about 20 pounds by diet in the course of three months, avoided heavy meals, and stopped smoking. He took little medicine but carried with him small tablets of nitroglycerine to use in case of a return of his old chest pain. Gradually he got around more actively again and felt only now and then a slight warning of the old discomfort if he grew careless. In a year he was perfectly well and no longer suffered discomfort if he hurried for the train. He had, however, cut down the stress and strain of his life a good deal and had carefully avoided any regain of weight.

Such is the story of one man who was a temporary victim of disease (in particular, arteriosclerosis) of the coronary arteries, upon which the heart depends for its nourishment. His story can be duplicated thousands and thousands of times with minor variations. But all are not so lucky. Some do not get rid of this annoying "angina pectoris"; some (the minority) die soon and early of the disease; and some get worse or in the course of time, perhaps weeks or months or years, are laid low for a while with . . . coronary thrombosis with myocardial infarction.

In the case of angina pectoris death may come with the first attack or it may be postponed for more than 30 years. The average longevity is approximately 10 years, as we have recently been discovering—a much less grave outlook than once was thought.

TERMS ARE DEFINED—

For the benefit of the lay reader who is not familiar with medical terms, a few definitions at this point may clarify these pages.

Arteriosclerosis (often called simply sclerosis) signifies hardening and thickening of the wall of an artery, often with narrowing of the channel and a decrease in the size of the blood stream that flows through it.

In the case of the coronary arteries and the aorta this begins as "atheroma," which consists of the laying down of fat in the "intima" or inner lining of the arterial wall. In the course of time this deposit tends to clog the artery much as rust clogs a water pipe. This is accompanied by chemical changes (calcification) within the artery and a reaction of the wall consisting of development of scar tissue.

Cardiac is the adjective applied to the heart; thus the term "cardiac pain" means simply "heart pain." There are many pains in the chest that are not due to heart trouble. Therefore, it is important to recognize that chest pain, which was once called *dolor pectoris*, is by no means synonymous with heart pain, the most important kind of which is *angina pectoris* as described in the account of Mr. Smith.

Coronary is the name applied to the arteries which supply the heart muscle with its blood. Thus the name "coronary ar-

(Continued on page 92)

Industry's "Sea of Opportunity"

debt-free INDIANA

MAIL COUPON TODAY

DIRECTOR, INDIANA DEPARTMENT OF COMMERCE
UW-333 State House
Indianapolis, Indiana

Dear Sir:

Please send me.....copies of your new 28-page brochure, entitled **WHY DEBT-FREE INDIANA IS ATTRACTING MORE INDUSTRY THAN ANY OTHER STATE PER CAPITA.**

NAME.....

ADDRESS.....

CITY.....STATE.....

DULUTH
DETROIT
CHICAGO
NEW YORK
PITTSBURGH
WITHIN 575-MILE RADIUS!
EAST-WEST TURNPIKE
ST. LOUIS
110 MILLION PEOPLE . . .
. . . Indiana industry is closest to the whole U. S. market . . . closest to the center of population!

The American Ruhr!

. . . developing the world's greatest concentration of electric power . . . home of the nation's largest atomic energy plant. (Power often is ½ of 1% of Indiana manufacturers' total production costs.)

Ohio River carries more low-cost freight than the Panama Canal. Inland waterway freight has tripled since 1946—and already-low costs are destined to come down as much as another 50%!

NO STATE DEBT! Our State Constitution forbids it! In fact, Indiana has *millions of dollars in surplus!*

NO "NUISANCE" OR "PENALTY" TAX. *No net income, use, retail sales, corporate or manufacturer's tax! NO tax on receipts from sales in interstate or foreign commerce!* Only ¼ of 1% on gross receipts from sales for processing, re-sale, etc., not in interstate or foreign commerce; 1% on other receipts derived in Indiana except from sale to ultimate consumer (½ of 1%). *And Indiana's unemployment tax is far lower than average!*

RAW MATERIALS. Low-cost coal. Limestone. Natural gas. "Clay Center of the World." Petroleum. "White Clay," *rich in aluminum.* Gypsum. Rock asphalt. Dolomite. Fluorspar. Water, sand, gravel, wood, corn, soybeans, etc.

23 RAILROADS, 300 MOTOR FREIGHT LINES, 9 airlines, 200 airports, more miles of paved highway per driver and per square mile than any other state—*and all paid for!*

GOOD LABOR. Responsible, versatile, 97% native, *30% fewer government workers per capita than nationally.* Enviable strike and lockout records. First in U. S. with labor-management charter.

AND IT'S GOOD TO LIVE IN INDIANA! Superb schools; 29 state and local colleges, universities. Fine housing, moderate rent. Low-cost state and local government. Good climate. Good hunting, fishing, conservation. Over 1000 lakes, streams; 32 famous state parks, forests, beaches. Resorts. Winter sports. Fine public swimming pools, parks, playgrounds, golf courses. *And friendly, gracious people!*

INDIANA DEPARTMENT OF COMMERCE • UW-333, STATE HOUSE • INDIANAPOLIS, INDIANA • PHONE MELROSE 5-3571

teries" is analogous to "cerebral arteries" (which supply the brain), "pulmonary arteries" (which supply the lungs), etc.

Electrocardiogram is a photographic or direct-writing record of the electrical activity of the heart beat which helps very much to show the condition of the heart muscle itself.

Infarction. When an artery is closed by the formation of a blood clot (thrombus) within it, the tissue beyond the clot is suddenly deprived of its blood supply and immediately begins to undergo certain changes which may ultimately result in the death of some portion of it. This area which has been cut off from its blood supply is known medically as an "infarct" or as an "area of infarction."

Myocardium means heart muscle, and is the name applied to the entire wall of the heart.

Pericardium lines the pericardial sac in which the heart rests. It is composed of a delicate membrane separating the heart from surrounding structures such as the lungs. The sac contains a small amount of thin fluid which acts as a lubricant.

Thrombosis is the technical term which means clotting of blood. The blood clot formed by the process of thrombosis is known as a "thrombus."

WHY THE PAIN COMES—

What causes angina pectoris? This is the name given to the symptoms so clearly presented by Mr. Smith; it has many variations which I shall mention shortly. Undoubtedly angina pectoris is due to an ache of the heart muscle itself. And this ache is due to the fact that the muscle is deprived for the moment of oxygen sufficient for its needs.

And how does that happen? Because not enough blood reaches the muscle to keep it supplied with oxygen. And that's where the word "coronary" comes in. The heart muscle, or myocardium, as it is called, is so thick and strong and constantly active day and night that it needs its own rich blood supply (although at a heart rate of 60 per minute it actually has only an eight-hour day of work contracting one third of every second and resting two thirds). The blood that simply flows through the chambers of the heart is not in the least sufficient. Therefore in the development of the human heart a whole branching network of arteries has grown out from two main trunks, the right and left coronary arteries.

This branching network comes down over the top of the heart like a crown (corona): hence the name. The branches of the coronary arteries are very numerous, and some people are blessed with more branches to their coronary arteries than others; this seems to be a family tendency. Among these persons, even though individual arteries may be hardened and narrowed, there are fewer instances of resulting heart disease because they have a larger network of arteries to start with. There is thus a distinction between coronary-artery disease and heart disease resulting from this process.

Fortunately, in addition to the richness of the original coronary blood supply which develops before birth, there occurs throughout life, especially in the later years, the evolution of a compensatory or "collateral" circulation. When certain of the arteries become narrowed due to the slow development of arteriosclerosis, other branches get larger and carry more blood and can bypass the points of block. Through various connections ("anastomoses") these branches can bring finally enough blood to that part of the heart muscle which was being deprived of blood by the original arteriosclerotic process.

This "compensatory" circulation saves many, probably countless lives; when for any reason it doesn't develop properly or the arteriosclerosis increases too fast then there is trouble in the form of heart disease. It is amazing to discover how badly damaged one or more of the main coronary-arterial trunks may be, even to the point of complete closure, in a person who dies perhaps of cancer at 80, with never a symptom of heart trouble during his whole life because his collateral coronary circulation had developed adequately to keep his myocardium supplied with blood and oxygen.

It is the development of this collateral compensatory coronary circulation that we hope for and which so often takes place in the course of some months of careful quiet living after the appearance of the first attack of angina pectoris, as in the case of Mr. Smith.

The term angina pectoris itself literally means "strangling in the chest" because of the oppressive, rather than sharp, nature of the heart-muscle ache. It was introduced by William Heberden in a lecture given in London in 1768. At that time he realized that the symptom was important and should be distinguished from other kinds of chest pain (dolor pectoris) but he did not know what caused it. The connection between angina pectoris and coronary-artery disease or sclerosis was discovered by Jenner, of smallpox-vaccination fame, in the years that followed (the 1770s and 1780s).

Angina pectoris may be mild or severe. It is usually not attended, as was once thought, by the sense of impending death, although in nervous persons it may be a terrifying experience. It is usually located, in whole or in major part, under the breastbone, but it may radiate to either arm (more often the left) or to both arms, rarely to the back. It may be confused with, or indeed induce, a spasm of the upper end of the stomach (cardiospasm) or of the esophagus, with the belching of gas.

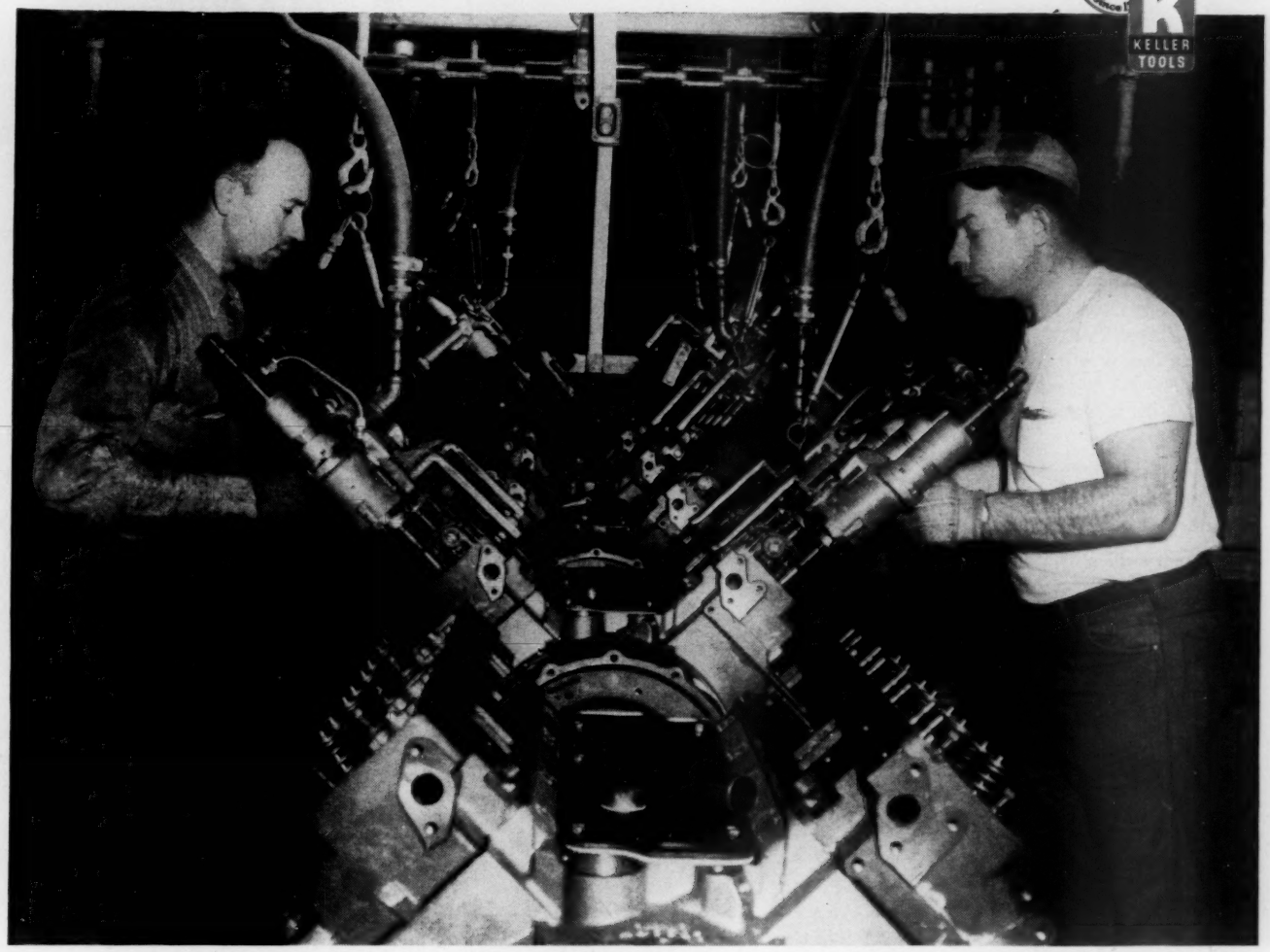
It may occur repeatedly every day or only rarely on much exertion. It comes less often at rest unless it has already recurred often and for a considerable length of time on effort. It may kill quickly but it usually does not, and as a rule a good many years go by after the first attack of angina pectoris before the person succumbs, often from some other disease or accident in old age. It may, as in the case of Mr. Smith, go away entirely with the gradual development over some weeks or months of an adequate collateral coronary circulation.

FIRST NEED: PATIENCE—

In the treatment and prevention of angina pectoris, regulation of the habits of life is much more important than the use of drugs except for a simple nitrite, preferably nitroglycerine in the minute dosage of 1/200 to 1/100 grain (0.3 to 0.6 mg.), under the tongue as needed. It is essential to avoid unnecessary hurry, worry, overexertion, overeating, severe weather, and tobacco. The exercise of patience over the period of the development of the collateral circulation is really the most important measure of all, but it is widely neglected.

Such is a brief survey of the simpler variety of coronary heart disease as manifested by the symptom of angina pectoris on effort.

Gardner-Denver MAKES AIR DO MORE AT LESS COST



Running down four cylinder headbolts simultaneously on each side of V-8 auto engine with Keller Multiple Nut Setters.

NEW APPROACH TO NUT SETTING MAKES ACCURACY AUTOMATIC

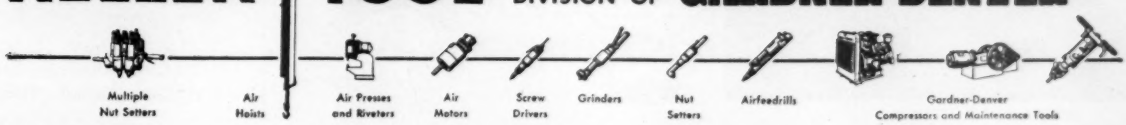
...another example of Keller Tool experience

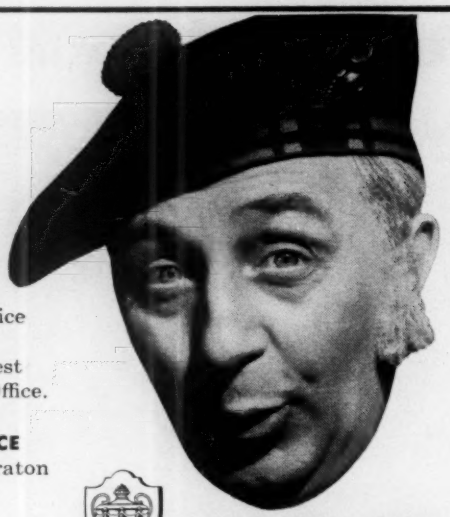
In today's fast-stepping industrial production, speed is of the essence. But with speed must go unfailing accuracy. Hence, the setup you see above—where Keller Multiple Nut Setters are making a quick job more accurate than ever before.

Formerly, that job was done with single spindle power tools, requiring that the individual torque regulator on each spindle be adjusted by *estimating* the proper interval the tool was allowed to impact. Today, with Multiple Nut Setters, each spindle is *pre-adjusted* for the desired setting and stays that way.

In fitting Keller Air Tools to individual industrial needs, Keller engineers cover every step. They study job blueprints to find the best tool arrangement. They design Keller Air Tool layouts showing the exact size and position of each tool. Then they make sure that the completed setup works at top efficiency. That's why they are so often welcome in plants where real production economies count. Keller Tool Division, Gardner-Denver Company, Grand Haven, Michigan.

KELLER TOOL DIVISION OF **GARDNER-DENVER**





hoot mon!

That Sheraton Reservation service costs nary a penny! Just make **ONE LOCAL CALL** to your nearest Sheraton Hotel or Reservation Office. You get fast, free **TELETYPE RESERVATION SERVICE** for rooms in any of the fine Sheraton Hotels — coast to coast in the U. S. A. and in Canada.

SHERATON
The Proudest Name in **HOTELS**

FOR RESERVATIONS AT ANY SHERATON HOTEL, CALL NEAREST NUMBER LISTED BELOW

AKRON Jefferson 5-1871	BUFFALO Grant 2121	DETROIT Woodward 1-8000	PASADENA Sycamore 2-0266	SPRINGFIELD Republic 2-1121	**IN CANADA**
ALBANY Albany 4-1111	CHICAGO Whitehall 4-4100 Harrison 7-4300	INDIANAPOLIS Melrose 4-1361	PROVIDENCE Gaspee 1-9200	ST. LOUIS Jefferson 3-7700	MONTREAL Plateau 7777
BALTIMORE Mulberry 5-1000		LOS ANGELES Dunkirk 2-7171	ROCHESTER Baker 8400	WASHINGTON Columbia 5-2000	TORONTO Empire 8-7474
BOSTON HUbbard 2-1250	CINCINNATI Main 1-6600	NEW YORK Circle 7-8000	SAN FRANCISCO Exbrook 2-8600		NIAGARA FALLS Elgin 4-5661
					HAMILTON Jackson 7-5071

RESERVATION OFFICES:
CLEVELAND, Prospect 1-7565; HARTFORD, Enterprise 1035; MINNEAPOLIS, Geneva 7251; NEWARK, WX 1035; PITTSBURGH, Court 1-4176; ST. PAUL, Zenith 2770

WHELAND
ORDNANCE DIVISION
*
CONTRACTORS TO THE UNITED STATES GOVERNMENT
*
ESTABLISHED 1866
THE WHELAND COMPANY
ORDNANCE MANUFACTURERS • GREY IRON CASTINGS • COMPLETE SAW-MILLS AND AUXILIARY EQUIPMENT OIL FIELD DRILLING EQUIPMENT
MAIN OFFICE AND MANUFACTURING PLANTS
CHATTANOOGA 2, TENNESSEE

For Customers who get Thirsty

Customers like the special "lift" in a clean, cool drink of water. And for shops and stores there are special Flash-O-Matic Water Coolers in Frigidaire's complete line.

Frigidaire Water Coolers Dayton 1, Ohio
Built and backed by General Motors

NEWS-LINES

WHAT YOU AS A BUSINESSMAN ☑ CAN and ☒ CANNOT DO

as a result of recent court and administrative decisions

☑ **YOU CAN** now take part in ***atomic development*** and research abroad without getting permission from the Atomic Energy Commission. The Commission gives general authorization for U. S. firms to participate in peaceful atomic work in foreign countries except in Communist-dominated areas.

* * *

☑ **YOU CAN** treat as a ***capital gain,*** for income tax purposes, your profit from a temporary assignment of a percentage of your royalty interest in a mine. In a case involving such assignment of interest in a sulphur mine, the U. S. Tax Court holds that a taxpayer had a capital gain rather than ordinary income.

* * *

☑ **YOU CAN** get the U. S. Government to guarantee a new ***private investment*** in Bolivia against the risks of expropriation or currency inconvertibility. The U. S. and Bolivia have just signed an agreement permitting such guarantees. Individual agreements must be approved by the governments of both countries.

* * *

☑ **YOU CAN** perhaps obtain more ***nickel*** in the weeks ahead than previously expected. The Director of Defense Mobilization has signed an order calling for diversion of 2.5 million pounds of the metal from the Government stockpile in October. This is an increase of 225,000 pounds over the amount made available in September.

* * *

☒ **YOU CANNOT,** as a manufacturer, count on getting additional ***copper*** in the immediate future. The Office of Defense Mobilization turns down a suggestion of a copper-brass group that up to 100,000 pounds of the metal be released from the Government stockpile to ease the present shortage.

* * *

☒ **YOU CANNOT** safely fire an employe who is active in union affairs for making a mistake if you do not also discipline in any manner others who were partly responsible for the mistake. The National Labor Relations Board finds

that an employer discriminated, in violation of the ***Taft-Hartley Act,*** in singling out a known union sympathizer at a time when a union organizing campaign was under way.

* * *

☒ **YOU CANNOT** expect NLRB to consider your objection to the way a ***collective-bargaining election*** was handled unless you present evidence to support your complaint. In a ruling, the Board says that, although the statement of reasons for an objection may be brief, evidence supporting the reasons must be furnished. Otherwise, says the Board, the NLRB regional director isn't required to pursue his investigation into the matter.

* * *

☒ **YOU CANNOT** take an income tax deduction, as a ***business expense,*** for an amount you pay in excess of fair rental value under a lease giving you an option to buy a property at less than market value. The U. S. Tax Court rules that this excess amount is not deductible as rent, but must be considered as partial payment of the purchase price of the property.

* * *

☒ **YOU CANNOT,** as trustee of an ***employes' trust,*** fail to file with Internal Revenue Service a return on form 990-P together with certain information required by the return. In reply to inquiries, the Service says this new requirement applies to trustees of pension, profit-sharing and stock-bonus plans.

* * *

☒ **YOU CANNOT** stop the Labor Board from putting three unions jointly on the ballot in a collective-bargaining election. In turning down the objection of an employer, NLRB says two or more labor organizations can act jointly as ***bargaining representative*** for a single unit of employes.

* * *

☒ **YOU CANNOT** keep the Government from holding back money, owed you under a ***Government contract,*** to cover penalties against you for not complying, under another contract, with overtime and minimum-wage provisions of the Davis-Bacon Act. This is proper procedure, according to the Comptroller General's office.

Conclusions expressed in these paragraphs are based upon decisions and rulings of courts and Government bureaus. In making their decisions, courts and bureaus consider many facts which, for reasons of space, cannot be set forth in detail. U. S. NEWS & WORLD REPORT, *on written request, will refer interested readers to sources of this basic material.*

FOR *Distinguished Service*
ON CARLOAD FREIGHT

Baltimore and Ohio Sentinel Service is distinguished by its *siding-to-siding* dependability. But, shippers get even more than dependable departure and arrival. Should a car's movement be interrupted by unexpected conditions, shipper and receiver are informed and notified of reforwarding. Try Sentinel Service—it's distinguished by dependability. *Ask our man!*

LINKING 13 GREAT STATES WITH THE NATION B&O

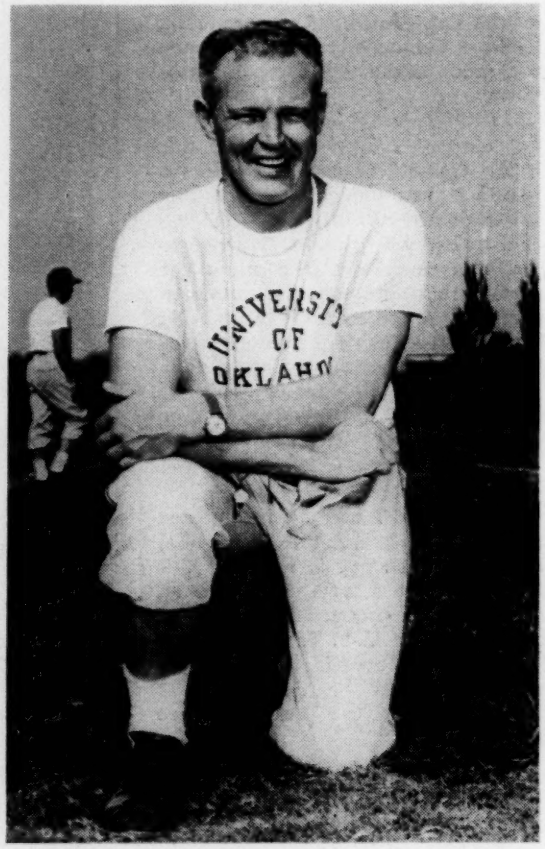
Baltimore & Ohio Railroad

Constantly *doing things* **—better!**

(Advertisement)

"Why I'd like my own boys to be oilmen"

by Bud Wilkinson
Head Football Coach,
University of Oklahoma



Bud Wilkinson, head coach and athletic director at the University of Oklahoma, has compiled one of the most remarkable records in the history of college football—his Oklahoma teams have won 70 games while losing only 7 and tying 3! Twice Bud himself has been voted "Coach of the Year." At Oklahoma, in the oil country, he has had an excellent opportunity to evaluate the oil business—as an industry and as a possible career for young Americans.

ALMOST half the boys who play football for me at Oklahoma go into the oil business. This remarkably high percentage is no accident. You see, out here in the oil country, we have a good opportunity to watch America's oil industry in action. And, frankly—we like what we see.

Many a boy has heard me say that the oil business is an ideal career for young Americans. Here's why I feel that way: First, there is the great variety of opportunity. I'm told there are over 40,000 U. S. oil companies—and, judging from the number of oil company job recruiters who search for talent on this campus, I can well believe it.

This great number of companies means lots of jobs. But, more importantly, in the complex oil business, it means *over 2,000* different kinds of jobs. Oil companies don't just need geologists, engineers, and research scientists—they also need everything from good accountants and salesmen to aerial photographers and oil tanker officers. So no matter where a boy's—or a girl's—interest and talent lie, there's sure to be a *right* spot in the oil industry.

That's reason enough for young people to choose oil as a career. But, in my opinion, there's an even more powerful drawing card—it is the intensely competitive spirit of the oil industry!

Any football coach, of course, has great faith in the benefits of competition. Every day we see how it brings out the very best in the boys we coach. And I don't just mean the competition with a rival athlete or team. I mean a boy's competition with himself to realize his own potential as fully as possible—to push himself beyond the best he's ever done before.

That's how competition builds good men. And, by the same token, competition is good for an industry, too. Competition among U. S. oil companies is so keen that each company can only stay ahead of its rivals by continually reaching the public—you and me—with a flow of new or improved products and services.

In this kind of a competitive struggle our young people find that initiative, imagination and hard work get quick recognition. Oil companies *need* their talent, their enthusiasm, their courage—and, from what I've seen, these qualities are well rewarded.

I'll be most happy if, some day, my own two youngsters choose oil as a career. Above all else, I want them to have *freedom of opportunity.* And, in our oil industry, competition guarantees them this vital freedom.

This is one of a series of reports by outstanding Americans who were invited to examine the job being done by the U. S. oil industry. This page is presented for your information by The American Petroleum Institute, 50 West 50th Street, New York 20, N. Y.

News YOU Can Use ®

IN YOUR PERSONAL PLANNING

24th and N Streets, N.W.
Washington, D.C.

A new research study points up some practical things that can be done to help youngsters get more out of their educations.

ENGLISH AND MATH. In the study, conducted by 34 high-school teachers, industrial executives were asked about educational shortcomings of youths starting out in jobs. Biggest drawbacks to getting ahead, they found, stemmed from deficiencies in mathematics and language--the ability to think a problem out with mathematical reasoning and to write or express ideas clearly. These conclusions grew from the study's aim: to find out what can be done about the fact many young people--in the face of the nation's intense need for technicians --shy away from such careers because they fear math or see no sense in it.

ENCOURAGING YOUNGSTERS. Among recommendations from the study:

Start math concepts early. Instead of, say, giving a child a dime-a-week allowance, have him ask for twice what he saved from the week before.

Stress clear thinking and expression. Things seldom get done until the man with an idea explains it to those who will do the work or pay the bill.

Feed curiosity. Give answers, but not on a silver platter.

Give encouragement when an honest try fails. Profiting from mistakes or from attempted solutions that flop is common in the workaday world.

Teach "approximating." A rough guess first as to what the answer should be can tip off mistakes made while the problem is being worked.

TRAVEL EXPENSES. You sometimes can claim an income tax deduction for living at home, the Internal Revenue Service rules. That situation arises when your job calls for you to work regularly in two cities, and you maintain your family residence in the one where you spend the least time. Deductions are allowed for travel "away from home"--away from your major place of employment, IRS explains. Thus you can deduct a part of your expenses for staying with your family, but none for hotel bills in the city where your main job is.

BEEF BACON. News about what the President likes for breakfast brings a flurry of interest in beef bacon. Also called "breakfast beef," it's a product that has been on the market for several decades, had a spurt in popularity a couple of years ago because of a special price advantage then over regular bacon. It's made from beef brisket, salted and cured. Has a bacony flavor. Looks something like corned beef and is leaner than pork bacon. Though sold in

(over)

most parts of the U.S., it is a specialty item found mainly in large delicatessens, kosher markets and specialty food stores.

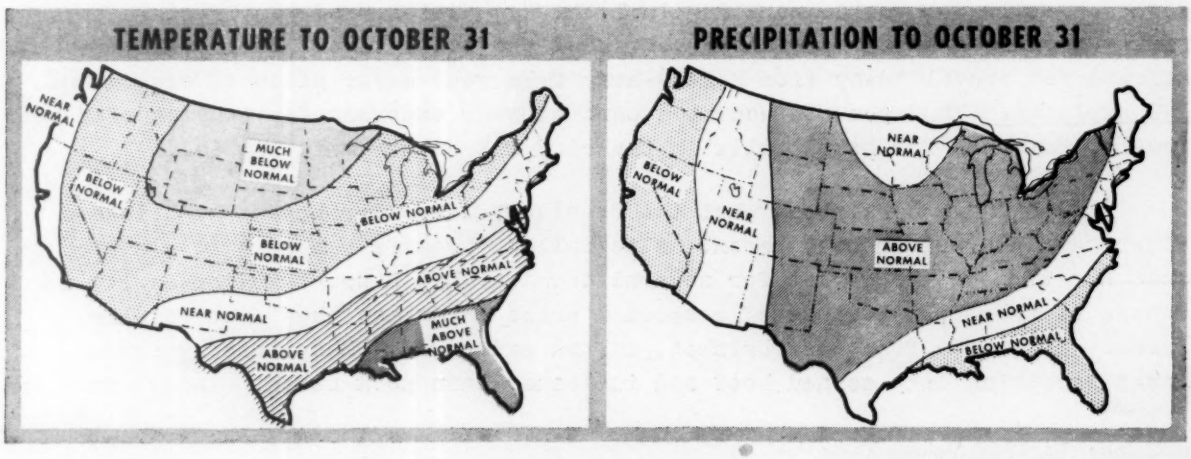
SOCIAL SECURITY. A question comes up about retirement payments that can be received by the wife of a person who qualifies for both Railroad Retirement and Social Security benefits. If she has no earnings of her own that entitle her to Social Security, she gets a wife's benefit based on her husband's earnings under each of the two programs. If, though, she qualifies for Social Security payments on her own, she doesn't get the full amount of all three benefits. She receives the one based on her own earnings, plus the one based on her husband's Railroad Retirement. But the amount of the wife's benefit payable under her husband's Social Security record will be reduced by what she gets from her own.

SELLING A HOME. Here's another angle to tax consequences we told you about a while back that arise when you rent out your home, then sell it: You may lose the benefit of the postponement of tax on the gain that is allowed in cases where, within a year, the proceeds are reinvested in another home. That's because renting may make the home no longer your principal residence, and so not qualify for the postponement benefit.

HELP FOR ARTHRITICS. A swap center for information on self-help devices for arthritics has been opened as an offshoot of the Arthritis and Rheumatism Foundation and the Institute of Physical Medicine of New York University. Such devices help give arthritics independence despite their handicap. Purpose of the center is to provide mail consultation, without charge, to arthritis sufferers seeking ideas for such helps or wanting to improve ones they have developed. The Center's address is 400 E. 34th St., New York 16, N.Y.

WRAPPING PACKAGES. Ever had trouble wrapping stemware to send to Cousin Jane as a wedding gift? Need to know how to pack a framed picture of the kids to mail to Grandpa? Answers to these mailing problems--and others--are in a new Post Office Department leaflet, "Packaging and Wrapping Parcels for Mailing." It will be available shortly, for the asking, at any post office.

WEATHER. Above-normal amounts of rain may plague football week ends in much of the nation, these maps based on the Weather Bureau's outlook indicate:



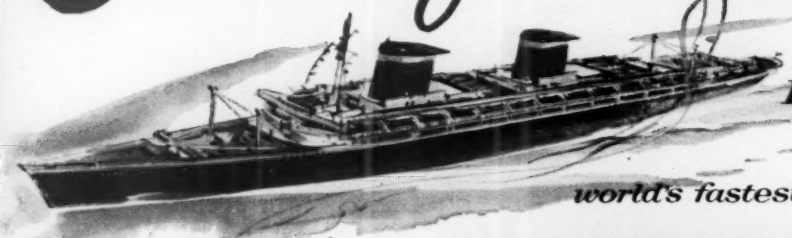
TRUE BALANCE—Northrop Aircraft's long-range goal is to maintain the most efficient organization possible for producing new, advanced weapon systems for our nation's defense. This involves more than years-ahead planning by Northrop engineers, scientists and administrators. Equally essential is *true balance* between creative research and economical manufacture. From such balanced operation within the Northrop sphere have come the Radioplane Company's family of pilotless drones and missiles, first and foremost in their field; the Scorpion F-89 interceptors, defenders of our vital sky approaches; and the Snark SM-62s, lethal intercontinental A-bomb carriers. Greater weapons of tomorrow are now taking form, their efficient and timely production assured by the well-balanced, streamlined Northrop organization.

NORTHROP

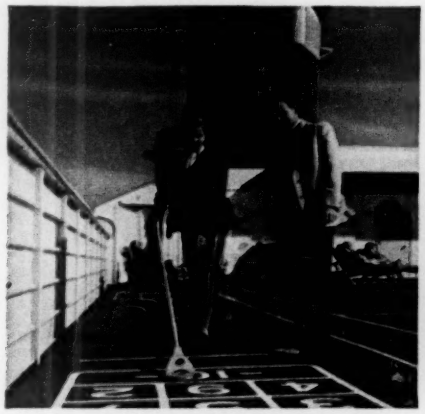
NORTHROP AIRCRAFT, INC. • HAWTHORNE, CALIFORNIA

Pioneers in All Weather and Pilotless Flight

Just time for the time of your life



Europe** is less than 5 gay days away on the world's fastest liner,* ***s.s. United States

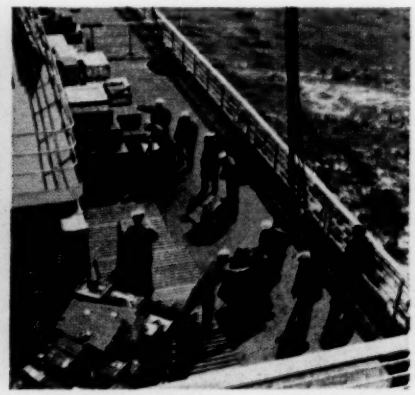


You have 990 feet of leg room on the s.s. UNITED STATES—acres of play space, half a mile of covered deck, more that's open to sun, sea breeze, the moon and stars. Above, *Mr. and Mrs. E. R. Cook* enjoy a bright spring day.

"We couldn't be more comfortable," *say Mr. and Mrs. George S. Farnsworth* of New Orleans in their suite on the UNITED STATES. Each spacious stateroom has individual "climate control" and world-wide phone.

Tea and gaiety on the AMERICA. *Mr. and Mrs. N. H. Heubeck* of Baltimore say: "The service is just one of the things that has made this our most enjoyable crossing." Many of the stewards have 25 years or more of experience at sea.

Dine in Paris, London, New Orleans—the menu, studied by *Mr. and Mrs. George S. Kaufman and Tennessee Williams*, is a gourmet's guide to Continental and American cuisine—paté, Dover sole or pompano, inches-thick steak.



Luggage? Take 25 cubic feet free. Your car, too, at special baggage rates. Your only problem is a choice of pleasures on either of America's "Big Two." You cross with a gay Who's Who, arrive rested, relaxed.

CONSULT OUR AUTHORIZED TRAVEL AGENTS OR

No finer food or service afloat or ashore **United States Lines**

One Broadway, New York 4, N. Y. • Tel.: DIgby 4-5800

s.s. United States Sails from New York 12 noon: Oct. 28*, Nov. 15*, Dec. 2*, Jan. 11* and regularly thereafter. Arrives Havre, morning 5th day, Southampton same afternoon. *First Class $350 up; Cabin $220 up; Tourist $165 up.* *Also arrives Bremerhaven 6th day

s.s. America Sails from New York: Oct. 20, Dec. 9, Dec. 30 and regularly thereafter. 5½ days to Cobh, 6½ to Havre, 7 to Southampton, 8 to Bremerhaven. *First Class $295 up; Cabin $200 up; Tourist $160 up.*

Offices also in: Baltimore, Boston, Chicago, Cleveland, Detroit, Los Angeles, Montreal, Norfolk, Philadelphia, St. Louis, San Francisco, Seattle, Toronto, Vancouver, Washington, D. C.

DOES IT PAY TO LEARN A SKILL?

Still Does, But Wage Margin Is Narrowing

Skilled workers, now in short supply, are growing unhappy about their narrowing pay advantage over the unskilled.

Years of experience, they complain, bring less extra recognition because of "pattern" raises demanded and won in recent years.

The craftsman is falling behind the unskilled worker in the race for wage increases.

Over the years, the skilled worker has seen his "edge" over the rank-and-file worker decline sharply. The skilled man still gets more pay, but the difference, in terms of percentages, is narrowing.

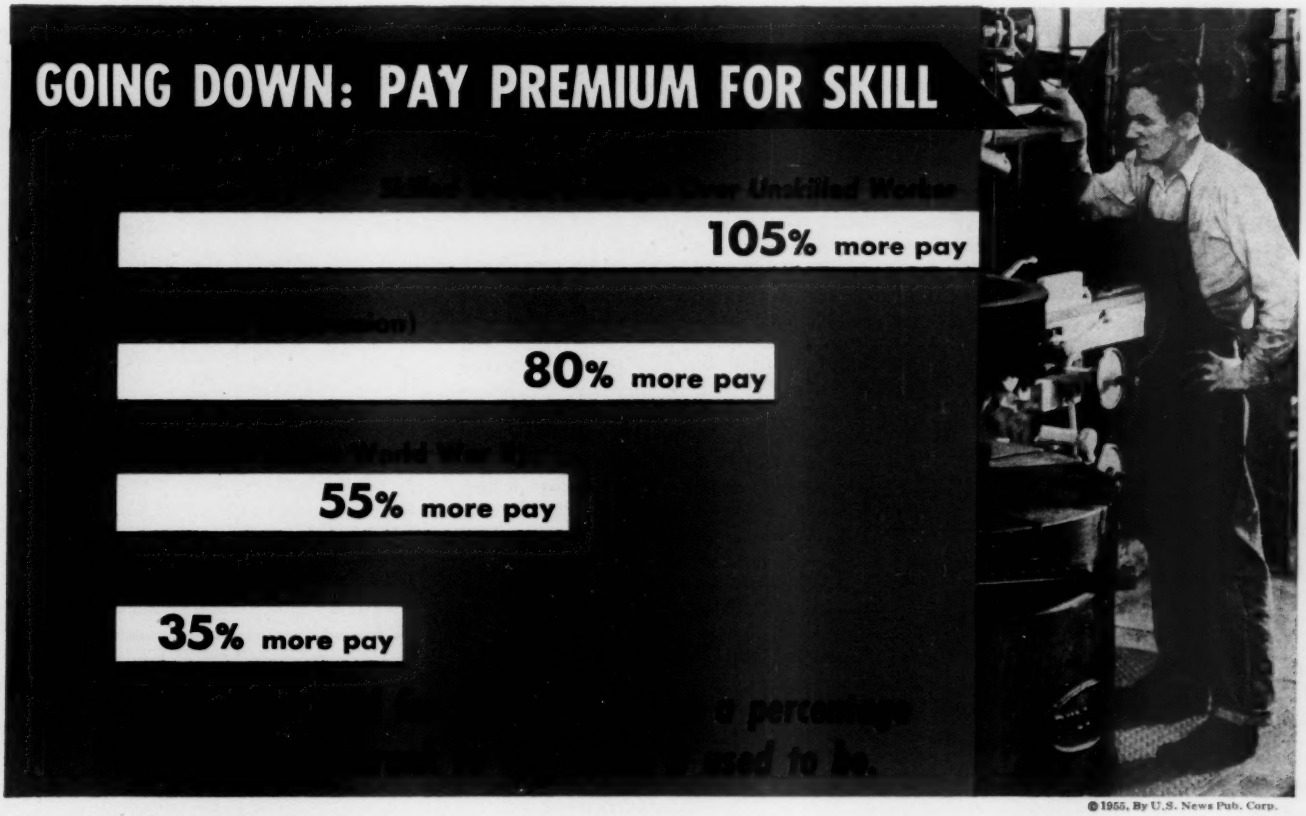
As a result, craftsmen in some industries are demanding that union leaders pay more attention to raises for the skilled men. Craft unions in other industries are insisting that extra increases go to the skilled workers. Employers and Government officials are concerned about the growing scarcity of skilled employes.

What has happened is shown in a study made by the Economic Unit of *U. S. News & World Report:*

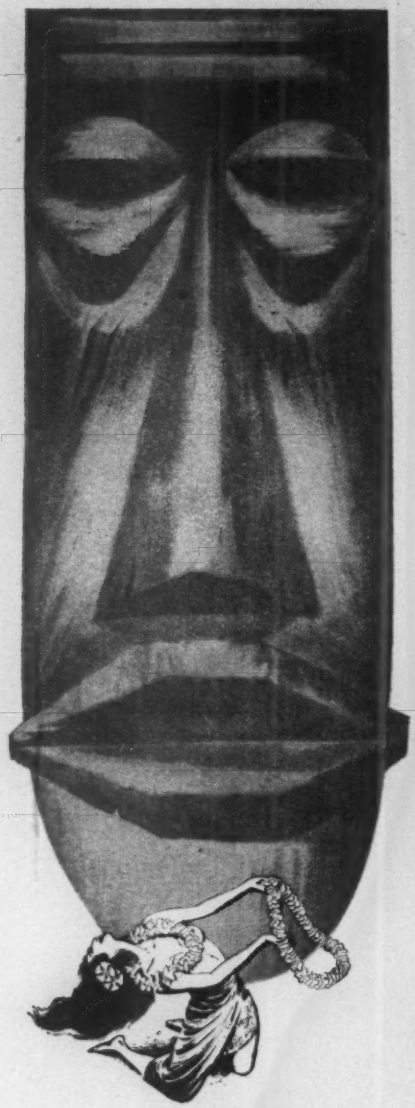
- Skilled jobs now pay about 35 per cent more than unskilled work in the nation's factories. This compares with an advantage of 80 per cent held by the craftsman in the depression years of 1931-32, as shown in the chart on this page.
- In autos, for example, a typical diemaker gets $2.70 an hour at present, or 48 per cent more than the lowest rate for unskilled labor. However, when the diemaker was earning $1.30 an hour in 1940, he had an edge of 73 per cent over the laborer.
- In railroading, an engineer piloting a passenger train got $1.38 an hour, on the average, in 1939, while a section hand was paid 40 cents an hour. Now the engineer gets $2.88 against $1.52 for the section hand. The engineer's pay advantage has dropped 45 per cent when measured against that of the section hand.
- In telephones, starting pay of a repairman in Cleveland has risen from $18 a week to $49.50 a week, since 1939—a gain of 175 per cent. But, in that time, the telephone operator's starting pay has gone up 239 per cent—from $14 to $47.50 a week. The skilled man's gain was 73 per cent as large as that of the operator.
- In steel, a skilled man can earn as much as $3.55 an hour, against $1.75 for a laborer. Wages of the skilled worker are 116 per cent higher than in 1940, while the unskilled man's job pays 181 per cent more. The craftsman's advantage has dropped by 23 per cent.
- In construction, the bricklayer's pay has fallen 29 per cent since 1939 in relation to wages of his helper. A bricklayer, now getting $3.39 an hour, on the average, has watched his pay go up 104 per cent in this period, while that of the helper rose 186 per cent to a rate of $2.22 an hour.

Union expansion in the 1930s, according to some economists, signaled the

(Continued on page 102)



©1955, By U.S. News Pub. Corp.



the south seas and south africa too!..

If you yearn to be a globe trotter's globe trotter, fly Qantas to the South Seas, Australia and on across the Indian Ocean to Johannesburg. It's exceptionally fascinating country and you'll see it in admirable comfort and style via Qantas Super Constellations. Ask your travel agent about this or other Qantas flights, First Class or Tourist, across the world to five continents.

AUSTRALIA'S OVERSEAS AIRLINE

QANTAS

. . . Why wage pacts tend to favor the unskilled

beginning of this trend against the skilled worker. The CIO began to organize skilled and unskilled workers into industrial unions, putting aside the old craft lines.

Wage settlements tended to give the same increases to all workers in a plant, regardless of skills and differing pay rates.

Wage settlements, it is contended, were aimed at the production workers, since they comprised the majority needed for approval in union meetings. Skilled men might vote against settlements, but they were outnumbered by the unskilled. Employers, too, found that wage offers were more acceptable when weighted in favor of production workers.

—USN&WR Photo

SKILLS ARE NEEDED

Now, a drive to catch up on pay rises

During World War II, Government wage regulations tended to level out pay raises, so that workers usually received the same amount of increase, regardless of skill. Again, the unskilled worker got an advantage.

The trend continued after the war when wage settlements tended to follow a "steel pattern" or an "auto pattern." If a union in one of the big industries won a raise of 18 cents, for example, other industries often copied it, with skilled and unskilled workers getting the same amount.

During these years the skilled worker was losing more and more of his advantage. More recently, however, the pattern has been changing, partly due to complaints of skilled workers. Various indus-

(Continued on page 103)

Send A Copy To Your Friends

...WITHOUT CHARGE

U. S. NEWS & WORLD REPORT
24th & N Streets, N. W.
Washington 7, D. C.

Please send a free copy of "U. S. NEWS & WORLD REPORT" with my compliments to the persons listed below:

☐ If possible, send the October 14, 1955, issue.

To.....
Address.....
City.....Z.....State.....

• • •

To.....
Address.....
City.....Z.....State.....

• • •

To.....
Address.....
City.....Z.....State.....

• • •

To.....
Address.....
City.....Z.....State.....

• • •

To.....
Address.....
City.....Z.....State.....

• • •

To.....
Address.....
City.....Z.....State.....

Sender.....
Address.....
.....

. . . Craftsman's "edge" dwindled over the years

tries have granted larger increases to skilled groups than to unskilled. In some instances, wage increases have been made on a percentage basis, instead of the usual system of giving everyone the same number of cents per hour.

The trend against the skilled employe, thus, may be slowing up.

As long ago as 1907, skilled workers were receiving 105 per cent more pay than the unskilled groups. By 1931-32, during the depression period, the ratio had dropped to 80 per cent.

From 1937 through 1940, before World War II, the advantage of the skilled employe was down to 65 per cent. A check-up in 1945-47 estimated the edge at 55 per cent, and it dropped to 37 per cent by 1952-53. Unofficially, the margin at present is estimated to be about 35 per cent.

Economists view this trend as hurting the nation's efforts to recruit more skilled workers. Production workers have less incentive to learn the skilled trades. Younger workers find there is less advantage in going through an apprenticeship of several years to get into the craftsman's group.

A warning that the country has a "critical shortage of skilled workers" recently was issued. The Labor Department reported that there are only 9 million skilled workers in a civilian work force of more than 67.5 million. This does not appear to be enough, Secretary James P. Mitchell said, to meet the needs of military and civilian production.

The auto industry is one field where the shortage is being felt, and where skilled workers are complaining about their plight.

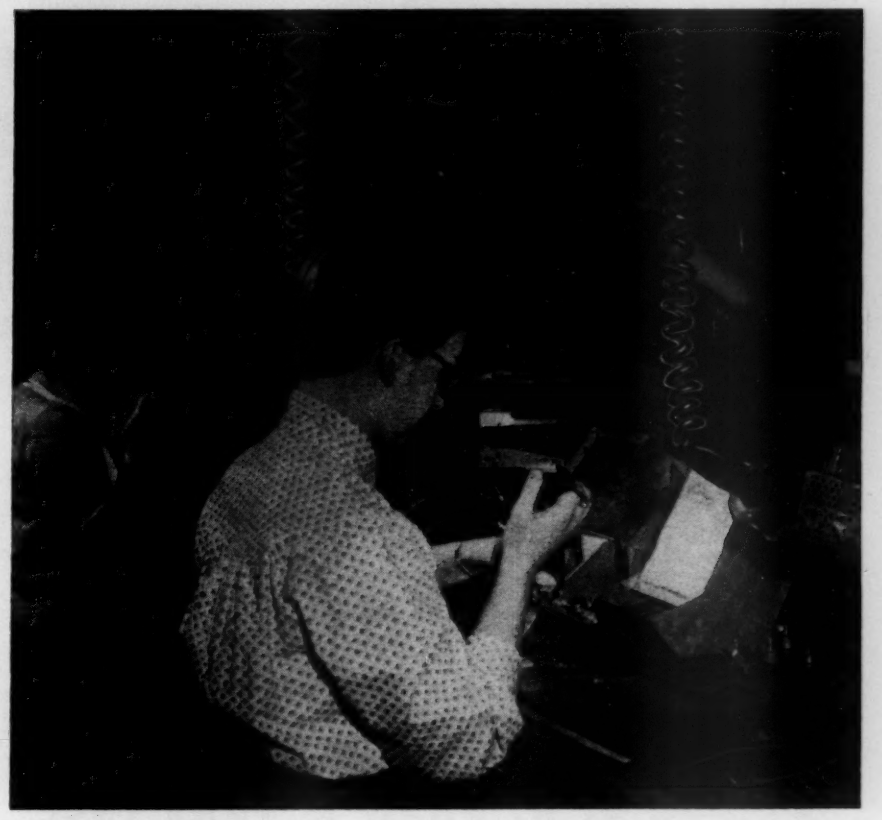
A new organization has been set up by some of the skilled workers in this industry. It is called the Society of Industrial Skilled Trades of North America. The movement was started in Flint, Mich., by workers who were dissatisfied with the 1955 General Motors settlement, and has spread to a few other auto centers.

The CIO's United Auto Workers Union has the bargaining rights for virtually all skilled workers in the auto industry, although a few craft unions still are operating in some plants. The auto companies are watching the "revolt" of the skilled workers with some concern, it is reported.

Industry sources say that the companies do not want to have craft groups returning to the plants in force. The companies prefer to bargain with one union, would not like to see craft and production unions competing against each other.

Actually, the auto industry says that

(Continued on page 104)



"Snap-back" neoprene-jacketed cord stays out of the way, speeds up assembly

HER JOB IS SOLDERING TINY TV COMPONENTS at Allen B. DuMont Laboratories, Inc. She has no time for unraveling tangled electric cords . . . nor for replacing parts accidentally swept to the floor. Koiled Kords* on the soldering irons eliminate these production-line problems. These spring-like retractile cords, extendable to six times their retracted length, are only as long as needed. For protection and durability they wear jackets of neoprene, Du Pont's chemical rubber.

DU PONT NEOPRENE ASSURES LONG WEAR ON ANY ELECTRICAL WIRING, whether in mobile power equipment or heavy industrial operations. It remains resilient despite oil, grease and chemicals. It will not crack or soften under abrasion, heat and severe weather. Remember, no other resilient material can match neoprene's *balanced combination of properties.*

A COMPONENT OF NEOPRENE IN YOUR PRODUCT can add new selling points and customer attractions. And in your plant, neoprene products can reduce maintenance and replacement costs. Send for our free booklet which tells how other executives have gained sales and cut maintenance costs with neoprene products.

*TRADE-MARK OF KOILED KORDS, INC.

Mail this coupon for free booklet

DU PONT
REG. U. S. PAT. OFF.

BETTER THINGS FOR BETTER LIVING
. . . THROUGH CHEMISTRY

E. I. du Pont de Nemours & Co. (Inc.)
Elastomers Division US-10
Wilmington 98, Delaware
Please send me your free booklet—"A Report on Neoprene . . . for the Industrial Executive."

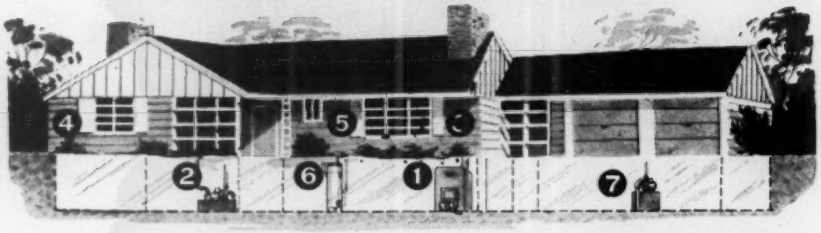
*Name*_____ *Position*_____

*Firm*_____

*Address*_____

*City*_____ *State*_____

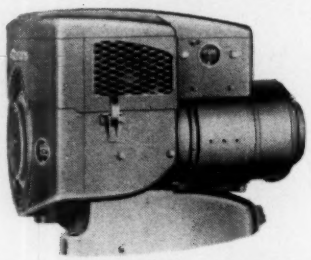
How Onan Emergency Electricity Protects Your Home



PROVIDES ELECTRIC POWER FOR THESE ESSENTIAL USES—

1. Automatic heat. Oil, gas, and coal furnaces. **2.** Electric water system. (If you have your own well). **3.** Home freezer and refrigerator. **4.** Lights, radio, etc. **5.** Electric range (limited use). **6.** Water heater. **7.** Sump pump.

ONAN engine-driven electric plants keep homes livable, prevent costly damage due to freezing of water and heating systems when storms, floods, fires or breakdowns interrupt electric power. Compactly built; fit into small space in garage or basement. Easily, inexpensively hooked up to present wiring. Can be equipped to start and stop automatically; protect your home in your absence.



Model 305CK, 3,500 watts. Other gasoline models: 500 to 50,000 watts. Diesel models: 3,000, 5,000.

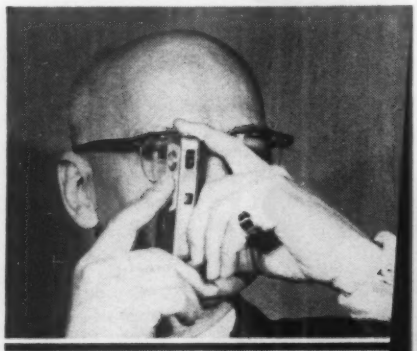
FIND OUT HOW LITTLE IT COSTS!

Write for information

Onan ELECTRIC PLANTS

D. W. ONAN & SONS INC.

3565 University Avenue Southeast • Minneapolis 14, Minnesota



Howard W. Sams, Chairman
Howard W. Sams & Co., Inc.
says this about his

minox

camera

"the supreme little MINOX is the king of conversation pieces! nothing has ever come into my life that has provided keener satisfaction. "in my work . . . for my pleasure—I use the MINOX, world's tinest precision camera—so light (2½ oz.), I always have it in my pocket." fast f/3.5 lens. all speeds from 1/2 sec. up to 1/1000 sec. NO FLASH NECESSARY FOR INSIDE SHOTS. a fabulous GIFT!

minox III-S with chain and case **139.50**

for literature and your dealer, write Dept. O

KLING Photo Corp.
235 Fourth Ave.,
New York 3, N.Y.

tailored like a jacket

For men who want the best. Comfort and fit never before experienced in shirts.

truly your form in fabric

Excello Shirts

EXCELLO SHIRTS, INC.
1115 BROADWAY, NEW YORK 10, N.Y.

. . . Railroads, engineers debate pay hike for skill

skilled workers have recovered much of their lost ground through recent settlements. Industry sources point out that the largest group in the industry is the assemblers working on the production line. Rather than use the rate paid for common labor, the industry prefers to compare the diemaker's pay gains to the assembler's.

That comparison shows that the skilled man has a bigger edge—percentagewise—than he had in 1940. The figures show that in 1940 a diemaker got $1.30 an hour, while the assembler got $1. Now the diemaker gets $2.70, compared with $2 for the assembler. The skilled man's advantage was 30 per cent in 1940, and has grown to 35 per cent now.

Locomotive engineers for several months have been negotiating with the railroads on this issue of extra pay for skilled workers.

The Brotherhood of Locomotive Engineers has been seeking a pay raise of 22.5 per cent on the ground that it is needed to restore a differential existing in 1936 between engineers' wages and those of firemen, who also ride in the engines. Most of the differential has been eliminated over the years, the engineers contend.

The railroads, on the other hand, have taken the position that wage settlements in the industry must be equal for all groups, a practice followed since 1937. To give one skilled group an extra raise, they have said, would upset the industry, cause other crafts to demand special treatment.

The attempt of the Engineers Union to get an increase based on skill was made more difficult last week when the carriers signed an agreement with the Railroad Trainmen for a raise of 10.5 cents an hour for most members of the latter union. This indicated that the Engineers and other rail unions would be under more pressure to take the same pattern.

The Trainmen's Union bargains for equal raises for its members, although it includes workers of varying skills. Most of its members are brakemen, but some conductors, switchmen, yard employes and dining-car stewards belong. The settlement included separate raises for dining-car stewards and yardmasters, groups that are on a salary basis.

Outside of railroading, however, there is considerable agitation for extra raises for skilled workers. Economists point out that the skilled groups will be able to exert more pressure on employers as the supply of expert workers tightens. Employers already are having to "bid up" their wages in order to recruit skill.

KRAFT®

SYSTEM

RECAPPING

A GENERAL TIRE SERVICE

PROVED OVER MILLIONS OF MONEY-SAVING MILES!

- √ Extra-long mileage, top-quality materials
- √ Factory-approved equipment
- √ Factory-trained recappers
- √ Guaranteed service Coast-to-Coast

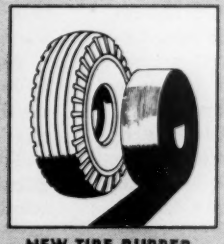
No matter what size fleet you command, KRAFT System Recapping can add unlimited low-cost miles to your tires . . . add extra profits to your pockets. Discover today just how a business-like, coast-to-coast program like the Kraft System can save money . . . make money for you. Call your General Tire Distributor—Headquarters for every Truck Tire Service.

KRAFT—THE ONE NATIONAL RECAPPING SYSTEM DESIGNED BY TRUCK TIRE MEN FOR TRUCKMEN

CERTIFIED INSPECTION
Provides full assurance that tires can be recapped safely!

ACCURATE BUFFING
Precision-done for better adhesion of tread to tire body!

EXPERT BALANCING
This step alone can mean up to 25% more low-cost mileage!



NEW TIRE RUBBER
The same high-quality tread rubber used in new General Tires!

KRAFT SYSTEM RECAPPING

IS AUTHORIZED

ONLY BY THE

GENERAL TIRE & RUBBER COMPANY

Justice Officials Tell

WHY U.S. USES EX-REDS AS INFORMANTS

Again the U. S. Government is being attacked for using testimony by former Reds in catching and jailing Communist plotters.

Top officials are being forced to defend and explain the long-accepted practice of keeping secret watch on criminal doings.

Here you get the Government's side of the case. It comes from J. Edgar Hoover, head of the FBI, and from William F. Tompkins, Assistant U. S. Attorney General.

Mr. Hoover and Mr. Tompkins ask the question: Is it right that Communist criminals be given protection that always has been denied to ordinary hoodlums in this country?

HOOVER: ONLY INFORMANTS CAN EXPOSE A CONSPIRACY

Following is an extract from an address, "Our Common Task," by J. Edgar Hoover, Director, Federal Bureau of Investigation, delivered at the convention of the International Association of Chiefs of Police, Philadelphia, Oct. 3, 1955:

Events and situations brought on by conditions of our times necessitate a greater consciousness of the need for protecting the civil rights of all people. Not only must our actions in fact be proper, we must be able to establish in court, if need be, that they were proper.

Every time the charge of duress, unethical conduct or third-degree tactics is substantiated, all law enforcement gets a "black eye." When mistakes are made, we ourselves should be the first to take corrective action. The sooner every practice smacking of oppression is abolished, the quicker law enforcement will win and hold the respect of the citizens it serves.

There is another area where much remains to be done in the way of public education. There is a real need to make it impossible for the "mouthpieces" of the underworld to effect delays by quibbling over words and technicalities.

The American people do not want their liberties chipped away through reckless and willful invasions by the police. Neither do they want criminal elements to corrupt constitutional safeguards to cover their depredations through technicalities.

The matter of searches and seizures is one of the problems we encounter daily. The law is far from settled. The most unexpected and unusual situations can arise when action must be taken immediately without time to consult law books or the prosecuting attorney. It is grossly unfair for criminals to go free, after they have committed clear violations of the law, because of some unexpected technicality when law enforcement acts in good faith upon the basis of its best judgment and training.

Even the Justices of the Supreme Court have not been able to reach unanimous decisions as to what is right and proper in such cases. From October, 1941, to June of this year, the Supreme Court has rendered opinions in 20 cases originating with police action involving searches and seizures. In not a single opinion could all of the Justices agree on the proper course of procedure which should have been taken.

The burden of proof is becoming more and more difficult. There is an increasing reluctance on the part of many citizens to testify. This is understandable when witnesses are not protected in courts from vicious smears and when unethical lawyers go beyond the proper bounds of cross-examination.

The confidential informant has become an institution and is used as a means of establishing truth. The use of the confidential informant is as old as man. In fact the first recorded use of the confidential informant is found in the Old Testament. As an institution, the confidential informant is used not only by law enforcement, but in practically every walk of life, particularly by the press and our financial institutions.

In recent years, there has been a determined campaign designed to deprive law enforcement of the use of the time-tested and valued confidential informant. This campaign of vituperation is part and parcel of Communist strategy to convert the courtroom into a forum to discredit the judicial processes. For the most part, the technique of the smear has been devised by Communist lawyers, skilled in concealing foul and despicable acts behind the Fifth Amendment. They employ tactics which even the most unscrupulous underworld "mouthpiece" would frown upon as improper.

The Communist owes no allegiance to God, to his family or to his country. He owes it only to the party, and will do anything the party commands him to do. He will lie, cheat, steal or do anything for the Communist cause.

The inroads that Communist propaganda has made in influencing law-abiding Americans, who fail to realize that criminal conspiracies are conceived behind closed doors under the cover of darkness, are disheartening. It is through the efforts of confidential informants that we have been able to expose the Communist conspiracy in the past, and through them we must stake much of the future security of the United States. That is why such a vicious and sustained

. . . Hoover: "'Pseudoliberals' oppose security measures"

attack has been made against former Communists who have firsthand knowledge of the secret, diabolical purposes of the Communist Party.

Those now furthering the campaign of vituperation against witnesses say that the Communist menace is a myth created by those who testified against it. Therefore, to destroy the myth, they feel it is necessary to destroy the witnesses. They refuse to recognize the Communist enslavement of one third of the world's people and one fourth of the world's surface. These witnesses have been cross-examined in our courts, observed by judges and juries and they have been brought under the penetrating eye of the American press.

The Communists, bent on weakening our American way of life, have now turned to enlist other individuals and groups to convey propaganda designed to discredit truth.

It is through the "pseudoliberals" that the Communists do some of their most destructive work. These fictitious liberals are the individuals who through insidiously slanted and sly propagandistic writings and reports oppose urgently needed internal-security measures, conduct a one-sided campaign to discredit Government witnesses, present the menace of Communism as a myth of hysteria, urge that we tolerate the subversive acts of Communists because Communists are only "nonconformists," contend that the Communist Party is a "political" movement and that it is improper to consider it a criminal conspiracy linked to a world conspiracy to overthrow our Government by force and violence.

Constructive criticism and constant evaluation of methods, procedures and accomplishments in an objective manner is the way to progress. But the eagerness of some to attack everyone and everything related to the exposure of the Communist conspiracy in this country is hardly the mark of a true liberal. Indeed, the true liberal is opposed to everything Communism represents, for the very nature of Communism is the antithesis of liberalism.

The members of the International Association of Chiefs of Police know how the confidential informant has contributed to law and order. We cannot minimize the hate of the underworld, whether it be the underworld of hoodlums or the underworld of subversive traitors, and its urgent desire also to identify and discredit the confidential informant. There needs to be a greater effort to protect those who risk their lives for the protection of society.

It is almost a daily occurrence for FBI agents to convey information secured from confidential informants to local police which, for example, cleared up 300 burglaries in one case. In another case, 47 stolen cars were recovered and, in still another instance, a million-dollar robbery was thwarted. Without this two-way street of exchange of information, many crimes would go unsolved.

TOMPKINS: INFORMANT SYSTEM HAS PAID "RICH DIVIDENDS"

Following are extracts from an address by William F. Tompkins, Assistant Attorney General handling the U. S. internal-security problem, delivered at the convention of the International Association of Chiefs of Police, Philadelphia, Oct. 3:

When I was so graciously invited to address you, at this, your 62d annual conference, the thought immediately occurred that this would be a unique opportunity to discuss with an informed group a common problem that recently has been the subject of persistent criticism from certain quarters —not so well informed, I am sorry to say.

I have reference to the use by the Department of Justice of the testimony of former accomplices and informants in our prosecutions of Communist conspirators. What is being attacked by these uninformed critics is not only the credibility of particular witnesses, but the propriety of the practice itself of using the testimony of former Communists who have broken with the party, or confidential informants who have been placed in the Communist Party by the Federal Bureau of Investigation to secure information for the Government.

Not only has the worst kind of abuse been heaped upon the witnesses themselves—they have been labeled "stool pigeons," "scabs," "hired informants" and "kept witnesses"—but the deadly serious accusation has even been made that the Department of Justice has been a party to false testimony given in connection with this practice.

As recently as May of this year, the author of the lead article in a well-known monthly magazine had the temerity to state that former Communists are hired by the Department of Justice "to testify according to the wishes of its lawyers." This is found under a subheading entitled "Partners in the Racket," in which the Government of the United States is characterized as the originator, encourager and subsidizer of this alleged "racket" to "purchase testimony."

This particular author cannot be so naïve as not to know that the connotation of the word "racket" is "fraudulent scheme." This calculated deception is completely without foundation in fact, and yet it is the most persistent theme in the entire article.

One need only look at the decision of Judge Dimock in the recent Matusow hearing [Harvey M. Matusow, alleged ex-Communist who testified at the 1952 conspiracy trial of 13 U. S. Communist leaders, was indicted for perjury by a federal grand jury in July, 1955], to find refutation of this reckless, baseless charge. After a lengthy hearing on this question, Judge Dimock held that the accusation of subornation of perjury by Government attorneys was "without foundation" and was "made up out of whole cloth."

Neither this author nor anyone else can cite any instance where the Department of Justice has "purchased testimony," hired witnesses "to testify according to the wishes of its lawyers" or "kept" witnesses because they have the ability "to interpret Communist doctrine in such a way as to bring it within the area proscribed by the Smith Act." [The Smith Act is a 1940 U. S. law prohibiting subversive activities.]

Never in a single prosecution, brought under the Smith Act, has an American jury, after carefully evaluating all the evidence, both oral and documentary, failed to be convinced that one of the tenets of Communist doctrine is the forcible overthrow of this Government. Five appellate courts have reviewed and upheld these findings. The Congress of the United States has made legislative findings that the Communist movement in this country is dedicated to the overthrow of this Government by force and violence.

Our author would have you believe that 13 American juries, our courts and our elected representatives in Congress have all been hoodwinked as part of a fraudulent scheme fostered by the Department of Justice. I submit that, in the

. . . "Ex-Red is in unique position to supply information"

very least, such careless treatment of facts hardly suggests a high journalistic standard by our author.

All of you gentlemen, as the chief law-enforcement officers in your local communities, can attest to the necessity of utilizing accomplices and informants in combating certain types of crime. However, apart from necessity, let us consider the propriety of the practice itself to see if, as our critics suggest, it represents an invasion of our traditional American freedoms.

With reference to the propriety of using informants, very little need be said. Judge Learned Hand, in affirming the convictions in the celebrated Dennis case [Eugene Dennis, general secretary of the Communist Party, and 10 other Red leaders were convicted in 1949 for "conspiracy to teach and advocate overthrow of the Government by force and violence"], tried before Judge [Harold R.] Medina in New York City, answered this contention simply and succinctly by stating that "courts have countenanced the use of informers from time immemorial."

The Rights of Society

What our critics fail to, or will not, recognize is that those who are engaged in a criminal enterprise have no right to be free from such surveillance; that it is because society in this instance has the greater right—the right to be protected from the consequences of criminal conduct—that it is perfectly proper to employ this artifice and stratagem to catch those who are in fact engaged in such criminal conduct.

Applying this to the specific problem of the Communist conspiracy operating in this country, the Supreme Court has held that the existence of such a highly organized conspiracy constitutes a clear and present danger to attempt the overthrow of our Government by force and violence. This Court further stated that in the face of such a threat the protection of our society demands that action by the Government be taken.

One of the steps taken by the Department of Justice to combat this criminal menace in the public interest is the employment of the constitutionally sanctioned investigative technique of informant surveillance. It has paid rich dividends. Tangible evidence of this can be seen by the fact that confidential informants of the Federal Bureau of Investigation, disclosed for trial purposes, have contributed materially to the conviction of 88 top leaders of the Communist Party in this country for violation of the Smith Act. And, of course, the great contribution they have made from an intelligence standpoint by their day-to-day activities in behalf of the Government, without fanfare and publicity and often at great personal sacrifice, cannot be disclosed for obvious security purposes. The overwhelming majority of these informants of the Federal Bureau of Investigation are entitled to a grateful nation's thanks.

It is plain that the use by the Government of informants in cases involving the Communist conspiracy is neither a new nor unusual practice in criminal-law enforcement and does not represent any departure from American tradition of law. And I dare venture to state that it is because of their very effectiveness as witnesses that they have become a target of abuse by the Communist Party and certain of its apologists.

Let me address a few comments to the propriety of our use of former Communists as witnesses in our Smith Act prosecutions. Like the informant, the ex-Communist is in a unique position to supply information to the Government concerning the machinations of the Communist conspiracy. In many instances they have held high positions in the party and have received information known only to those high in party councils, which is, of course, of inestimable value to your Government in combating Communist subversion in this country.

It is not suggested that accomplice testimony in the usual criminal-conspiracy prosecution is in any way improper or alien to our American jurisprudence, for rarely, if ever, can a conspiracy be shown except by the defection of one of the conspirators. With reference to the testimony of the former Communist, however, it is somehow argued that a different rule of law should be applied and that all such testimony should be rejected as inherently unbelievable.

As you gentlemen are aware, when an accomplice testifies in the ordinary criminal prosecution, the fact of his past confederacy with the defendants is brought out, as are other matters which might reflect upon his credibility. An appropriate charge is made by the court to the jury, and the jury, thus aware of all the facts concerning the accomplice, determines what weight is to be given to his testimony.

This same procedure is followed with reference to the testimony of former Communists.

Because they have personally held high official positions in the top echelon of the party, attended and taught at party schools and worked within the inner councils of the party, they have acquired an expert knowledge of Marxism-Leninism in all its revolutionary aspects and are, therefore, peculiarly qualified to testify as to the basic aims and objectives of the Communist Party—which we must prove anew in each of our Smith Act cases.

Basically, they testify that one of the tenets of the Marxist-Leninist ideology, upon which the Communist Party admittedly bases its program and activities, is that all capitalist governments, including the United States Government, must be forcibly overthrown as a necessary step to the creation of a Communist society. In corroboration of this oral testimony as to the aims and purposes of the Communist Party are the Marxist-Leninist books themselves. Judge Hand held that the contents of these books proved independently of the oral testimony presented at trial that the aim of the Communist Party was to install the dictatorship of the proletariat through the use of force and violence.

Witnesses Found "Credible"

To a greater degree than the accomplice in the usual criminal case is the former Communist subjected to protracted and rigorous cross-examination by skilled defense counsel—in some instances such cross-examination lasting literally for weeks. The fact of their former membership in the Communist Party, their qualifications as expert witnesses on Marxism-Leninism, their personal backgrounds, the compensation they may have received from the Government for their time and services and any other factors that might bear upon the truthfulness of their testimony is gone into in minute detail. Their testimony has been scrutinized and weighed in the balance by juries representative of the American people and found to be credible. Their over-all reliability and credibility is demonstrated by the 88 convictions of party leaders secured in 13 separate prosecutions throughout the country.

I submit that there is no better judge of the veracity of these witnesses than the American juries who have actually observed their demeanor under direct and cross-examination, evaluated their testimony in accordance with the instruction

(Continued on page 109)

The problem of the missing executive

The hazard which most often keeps a valued executive from his desk is long term disability.

Chief among the problems this creates is the matter of compensation during disability. Some companies continue salaries for varying periods, however serious disability frequently lasts for several years—can even last for life!

Yet until recently there has been no really complete program of guaranteed disability income which the employer could utilize to meet this problem.

Provident now meets this need with its EXCLUSIVE and GUARANTEED Long Term Salary Continuance Plan. The plan is custom-made to fit individual circumstances and covers groups of 15 or more.

The employer pays half or more of the premium as a tax-free operating expense. Benefits, tax exempt, accomplish more than much larger sums of taxable income.

The guarantees in the plan are unique and afford the finest disability protection ever offered.

Consult your broker about Provident's Long Term Salary Continuance Plan or write Provident for brochure D-9.

Provident
LIFE AND ACCIDENT
Insurance Company
CHATTANOOGA, TENNESSEE • SINCE 1887
One of the Oldest . . . One of the Largest

. . . "We will stand on the record"

of the court and by their verdicts of guilty found their testimony credible.

Why, then, should it be contended that a different yardstick be applied to the testimony of the former Communist than to any other person who turns state witness in a criminal prosecution? Why should the Department of Justice reject as inherently unbelievable the testimony of persons who have personally engaged in the conspiratorial activities of the Communist Party, who have been believed by over a hundred American jurors, whose basic testimony has been corroborated by the party's own texts and whose general use as accomplice witnesses is conceded as an integral part of criminal-law enforcement?

Critics Ignore Red Threat

The only logical explanation for criticism of the use of former Communists by the Department of Justice is that our critics view these trials not as criminal but as political in character. They seem unwilling to concede that the American Communist Party poses any real threat or that its leaders have really been engaged in any criminal conspiracy.

On this point, consider the characterization of the Communist trials found in the previously mentioned magazine article. There our critical author states that the Communist cases "involve political principles, political ideas and political organizations" and that "if there has been prevalent in recent years a somewhat distorted view of the dimensions of the problem of domestic Communism, the fault can in large part be charged to the account of the Department of Justice and its professional witnesses."

In answer to this criticism, we will stand on the record in these cases, the verdicts rendered, the affirmances by our appellate courts and the findings of the Congress of the United States, and the public can be allowed to evaluate all those who advocate in writing or in speeches that the Communist Party be accorded standing as a political party rather than as a criminal conspiracy.

° ° °

We in the Department of Justice do not intend to be lulled into inaction by criticism of our program to combat subversion in this country—rather, we intend to utilize every bit of credible evidence at our disposal to continue to enforce our laws against any and all subversives in our midst. The sincere former Communist who has the courage to come forward can make a material contribution to the success of this endeavor.

A Boon to Budgets

AIR Parcel Post
saves days, dollars

BARGAIN IN SPEED! Air Parcel Post costs surprisingly little. A one-pound package crosses the nation overnight—for only 80c.

ECONOMY EVERYWHERE! Low rates to foreign countries apply from any mailing point in the U. S.

Additional features: Can go Insured or Registered; C.O.D. and Special Delivery.

For more information and rates, call your Post Office. And remember that the new certified letter-mail service applies to Air Mail too.

Advertisement by the Scheduled Airlines as a public service for the U. S. Post Office

SAVE TIME, SAVE MONEY, USE...

AIR Parcel Post and AIR Mail

Telegrams: the one sure way to reach a busy man

BEHIND this door sits a busy man—*really* busy. He operates on a heavy schedule. No time or patience for a lot of talk.

When you do business with this man, gain his friendship by showing him you know the value of time—his *and* yours. Because a good way to lose his respect is to intrude upon him at exactly the wrong time.

How to reach him? Easy: a telegram. It's the fast, *courteous* way to get his attention. He'll have your message in writing, have time to consider it, time to act on it.

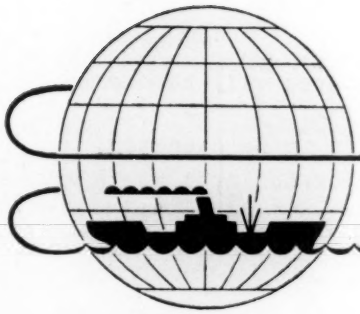
As a matter of fact, whenever you want attention and fast action from *anyone* . . . send a telegram. It's a profitable habit to get into.

when it means business
it's wise to wire

WESTERN UNION
TELEGRAM

COMPARE COSTS . . .
AND YOU'LL CHOOSE
TELEGRAMS EVERY TIME

WESTERN UNION



Business Around the World

PARIS • LONDON • BUENOS AIRES • RIO DE JANEIRO

>> A new wave of inflation, churned up in North Africa, is touching France.

Flight from franc has begun again. Gold napoleons are in strong demand. Price, per napoleon, has risen from 2,490 to 2,900 francs in a few weeks.

Dollar value of franc is slipping--360 to dollar in July, about 390 now.

>> As Paris businessmen interpret continued violence in North Africa.....

French political crisis, one result of the North African trouble, means business uncertainty inside France. Bigger budget deficit seems inevitable. As it is, the Government has just announced it is having to spend equivalent of an extra 147 million dollars for military purposes in North Africa.

Investors in North Africa are nervous. They have a huge stake in mines, farms, industries, real estate. But they can't very well sell now. There are few takers. And North African stocks on the Paris Bourse have begun to show it.

Inside France, strikes are yielding substantial wage increases. Metal workers' wages are up 15 per cent, shipyard workers' up 22 per cent.

Month ago, French officials boasted of French economic stability in midst of European inflation. Now, North Africa is undermining French stability.

>> It's what he sees ahead that worries R. A. Butler, Britain's Chancellor of Exchequer. September's dip in gold reserves, current high consumer spending are serious, but what's more on Butler's mind is a prospect of big wage increases.

Another wage boost like that earlier this year would really spell trouble.

Britain's wage bill has already increased 610 million dollars this year, about 25 per cent more than the rate of increase in 1954.

New demands, if granted, will push the 1955 wage bill still higher. Value of the increase in industrial output is not keeping pace.

Effect of such a wage boost could only be to force prices up still more, pull in more imports, handicap exports, really endanger the pound sterling.

>> Mr. Butler's immediate concern is to stiffen the backs of British employers against a new round of wage increases. Accordingly.....

Official warnings are becoming more frequent, tougher in tone.

Credit squeeze is to get tighter. Loan restrictions are already making it harder for business to borrow for expansion, except for export production.

Government spending is to be cut back. Housing subsidies face a slash. Defense expenditures are to be "adjusted," Butler says. This means a cut, too.

Installment buying may be slowed down. Higher sales tax is under study.

These Government measures, on top of those already in effect, are counted on to take the steam out of Britain's inflation by early 1956. But, if

(over)

Britain's wage bill keeps going up, some really tough measures will be needed.

>> Further decline in British gold and dollar reserves is to be expected.

Trade debt to Europe will call for outlay of 80 million dollars' worth of British gold in October. Loan payments to U.S. and Canada will be due in December, at a cost of 190 million dollars.

Heavy imports are likely to continue.

Coal, for instance: Coal imports, so far this year, have cost the British 131.6 million dollars, as against 16.8 million in 1954. Reason is that British coal output, instead of increasing, has declined during the 1955 boom.

Oil imports, in addition, are running at rate of 900 million dollars a year. Much of this is dollar oil, and will continue to be for some time.

Britain's reserves will thus be under strain at least through 1955.

>> Salesmen from Moscow, equipped with handsome promises and generous credit proposals, are making inroads in the Latin-American market.

To give you trade figures not generally known.....

Total trade between the Soviet bloc and six Latin-American countries ran to about 250 million dollars last year--three times the 1953 total.

Trade goal, this year, aims at half a billion as a two-way total.

Goal, if reached, will give Moscow roughly 15 per cent as much trade with Latin America as U.S. has. That's a quick, sharp gain for Moscow.

>> Argentina and Brazil account for 80 per cent of this Soviet trade.

Brazil has deals calling for 85 million dollars' worth of trade with Soviet bloc this year. Last year, Brazil-Soviet trade totaled 43 million, or double what it was in 1953. Not very big, by U.S. standards, but going up.

Argentina, which quadrupled its Soviet trade last year, plans two-way total of 263 million dollars this year. Trade with U.S. in '54 was 225 million.

>> With dollars scarce, this trade with Moscow seems to Latin Americans one way to swap slow-moving export surpluses for the capital goods they long for.

Soviet promises are bright and glowing.

Soviet delivery, however, is something else again.

Record for 1954 shows that Argentina's trade pacts with the Soviet bloc were fulfilled about 55 per cent, Brazil's about 42 per cent. Compliance by Argentina and Brazil wasn't too good, but the Soviet record was worse.

Soviet oil shipments to Argentina were about 75 per cent short of the goal last year. Steel rails, though, came through in substantial volume.

Argentina's record was good in meat shipments, poor in wool.

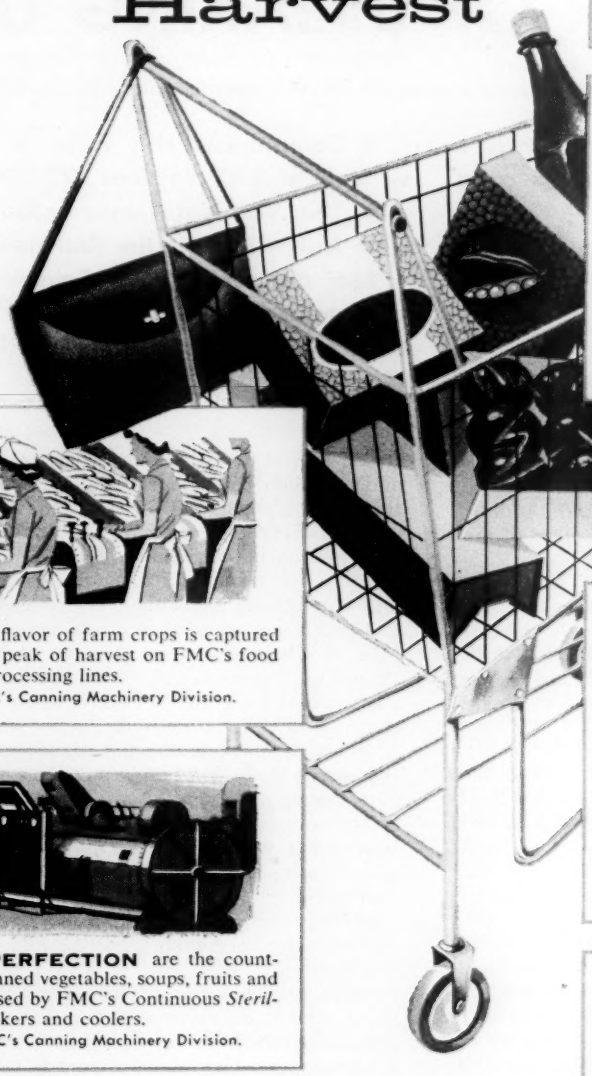
Argentina, on net, is left holding the bag. Soviet bloc, at end of 1954, owed Argentina 42.8 million dollars in trade debts.

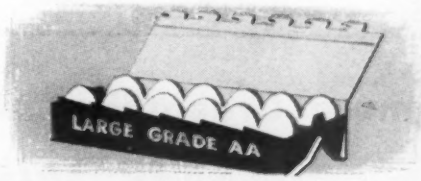
Nor does Moscow's agreement to extend credit of 30 million dollars for capital-goods exports appeal so much now. Soviet equipment was shown at a fair in Buenos Aires earlier this year. It left Argentine businessmen unimpressed. Quality seemed much inferior to U.S. brands. Result: No sales to date.

>> The hard fact remains that Latin-American trade with Moscow is going up, despite Soviet inadequacies. U.S. officials are concerned. Now they're waiting to see what the new governments in Argentina and Brazil do about it.

fmc puts ideas to work in *food equipment* for . . .

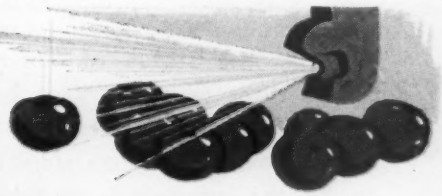
Super Mart Harvest





EGGS MOVE FASTER to market on FMC's new electro-mechanical egg handling system, which automatically sizes, sorts, tabulates and packages thousands of dozens per day.

A product of FMC's Packing Equipment Division.



BRIGHTER LOOKING, tastier fruits and vegetables are the result of FMC's *Flavorseal* Process which protects and beautifies field-fresh produce.

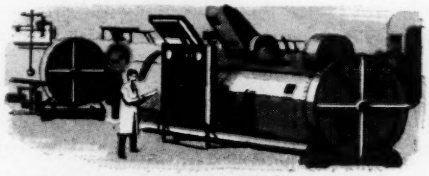
A product of FMC's Packing Equipment and Florida Divisions.

FIELD FRESH flavor of farm crops is captured and canned at the peak of harvest on FMC's food preparation and processing lines.

Products of FMC's Canning Machinery Division.

JUICED IN A JIFFY. Hundreds of tasty citrus fruits per minute are scientifically squeezed by leading processors of frozen concentrates, fresh and canned juices with FMC's *In Line* juice extractors.

A product of FMC's Florida and Packing Equipment Divisions.



COOKED TO PERFECTION are the countless varieties of canned vegetables, soups, fruits and other foods processed by FMC's Continuous *Sterilmatic* pressure cookers and coolers.

A product of FMC's Canning Machinery Division.

FRESH FROZEN foods owe their natural goodness to the quick preparation, packing and freezing made possible by FMC's frozen food equipment.

Products of FMC's Canning Machinery Division.

This is another example of how FMC's creative research and practical engineering help produce finer food products for better living. FMC's diversified division-made lines of machinery and chemicals not only serve the vast food field, but agriculture, industry and the public as well. For the complete FMC story, write for illustrated brochure PRA-1054, "PUTTING IDEAS TO WORK."

fmc FOOD MACHINERY AND CHEMICAL CORPORATION ®

FOOD MACHINERY AND CHEMICAL CORPORATION

EXECUTIVE OFFICES: SAN JOSE, CALIFORNIA

DIVISIONS: Bolens Products • Canning Machinery • Florida • John Bean • Mechanical Foundries • Niagara Chemical • Ohio-Apex • Packing Equipment • Peerless Pump Westvaco Chlor-Alkali • Westvaco Mineral Products • Fairfield Chemical • Becco Chemical • • *SUBSIDIARIES:* Chiksan Co. • Simplex Packaging Machinery Propulsion Engine Corp. • Sonith Industries • Stokes & Smith Co. • Chicago Pump Co. • Oakes Mfg. Co. • Kingsbury & Davis Machine Co. • Well Equipment Mfg. Co.

General Gruenther Asks:

IS WESTERN ALLIANCE IN DANGER OF BREAKING UP?

What is the status of Western Europe's defenses after four years of build-up at a cost of billions of dollars?

Shaky now—facing an uncertain future.

That's the appraisal of Gen. Alfred M. Gruenther, top Allied commander in Europe, based on latest figures.

• Communists still have a big military edge with 250 divisions, 22,500 warplanes.

• The West is still three or four years away from balancing off the Red power.

Real danger now, as Gruenther sees it:

Kremlin's "smiling campaign" may lull the West into relaxing, falling farther behind.

Following are extracts from an address, "The Defense of Europe—a Progress Report," by Gen. Alfred M. Gruenther, Supreme Allied Commander Europe for the North Atlantic Treaty Organization, delivered before the convention of the American Bankers Association in Chicago, Sept. 28, 1955:

The basic issue is whether our system of life, which you gentlemen exemplify and which is anathema to the Soviet system, is going to survive. That is the reason why the North Atlantic Treaty Organization was signed in 1949, and that is the reason why General Eisenhower went to Europe to organize the defense of Europe in the early part of 1951.

* * *

At our headquarters, we who have the responsibility of the defense of Europe over a perimeter of some 4,000 miles, deal —or try to deal—in realities. We are considering what would happen if the Soviets engaged in military action. That does not mean that they are going to engage in that action, but our planning must be based on the assumption as to where we would be if they did.

Our first job, therefore, is always to assess what we refer to as their "military capability." What kind of forces do they have? How are those forces disposed? How effective are they?

They have a land army now of 175 divisions, the largest land army in the world and the most effective one. Not all of the 175 divisions are perfect, but by and large they are well trained.

They have an air force of some 20,000 operational planes. When General Eisenhower came to Europe, they also had 20,000 planes, but at that time most of them were piston-driven. Now the vast majority of them are jet planes, with new and improved versions of jet planes coming off the line all the time.

On the naval side, they are concentrating largely in the submarine field, and they now have about 350 submarines. To give you a measuring stick as to what 350 submarines mean, you should know that when the Germans started World War II they had only 75 submarines, so 350 represents a very extensive capability—not five times as great as the Germans had, for the Soviets still do not have the same know-how that the Germans did, but they are improving as time goes on.

Those forces that I have just mentioned are the Soviet forces. In addition, they have the satellite forces. There are between 75 and 80 satellite divisions totaling between a million and a million one hundred thousand men. There are something like about 2,500 planes in the satellite air forces.

All of that represents a very substantial capability. Our job, since we have the mission of defending Europe, has to be based on that capability. Even if there is going to be no war—and I personally think there will be no war—as you balance this power equation, if our side suffers by comparison on a ratio of whatever it may turn out to be, 3 to 1, or 4 to 1, against us, and we are unable to equalize it, we will be gradually pushed back into a corner when it comes to this very stern job of negotiating with the Soviets.

Our task, then, is one not of advocating war, not saying that war is likely, but basing our plans on again what we refer to as enemy capability.

To sum up, when the German forces are effective, and assuming that we can have the use of new weapons, we shall be able to solve this problem: That will be roughly in three or four years.

Having said that, I want to tell you that I think that the hardest period is coming now. We had great difficulties in the first four and a half years of NATO, but we had one big advantage, and that was that the free world was united by fear —a cement that held us together but which is gradually disappearing now because, under the "smiling campaign," under the tendency which is developing to relax, we are up against very tough opposition. In the period that we are going to face in the next few years, it is going to be much more difficult to get that unity, and to continue the sacrifices necessary in this type of competition.

We consider that military security—or national security, if you will—consists of three elements: the economic side, very well known to you . . . ! the military side, which I have been referring to briefly here; and thirdly, the psychological side.

This psychological side is the one where the Soviets are carrying on a very masterly campaign now. I do not want to be cynical about the outlook for the future, or about anything that has happened in connection with Geneva, but I simply want to bring us back to the realities that as of now they have an overwhelming power and, especially in the conventional field, they still have a very big edge against us.

I have here a quotation from a talk that Mr. Khrushchev

. . . "If we can make attack costly, it will never take place"

[Nikita S. Khrushchev, Soviet leader] gave on the 19th of September, and here is what he said on that day:

"We always tell the truth to our friends as well as to our enemies. We are in favor of a relaxation of tension, but if anybody thinks that for this reason we shall forget about Marx, Engels and Lenin, he is mistaken. This will happen when shrimps learn to whistle. And I might say that shrimp do not whistle very often. We are for coexistence because there is in the world a capitalist and socialist system, but we shall always adhere to the building of socialism."

He was referring to three very famous men, and referring to the principle of coexistence in connection with them. Incidentally, he said this with a smile, and in a very relaxed way of speaking, at the time he made this speech.

Lenin on Coexistence

But let us go back now to one of these disciples, Lenin, and see what Lenin said on this same subject. This was in 1920, and here was Lenin's view at that time:

"We are living not merely in a state, but in a system of states, and the existence of the Soviet Republic side by side with the imperialist states for a long time is unthinkable. One or the other must triumph in the end, and before that end supervenes a series of frightful collisions between the Soviet Republic and the bourgeois states will be inevitable."

Also, recall this, on the 19th Mr. Khrushchev is saying, "Anybody who thinks we have forgotten Lenin is badly mistaken."

Marx, to whom he also referred, wrote the bible for the Communist doctrine, and he has said some poignant things of interest. One is:

"The democratic concept of man is false, because it is Christian. The democratic concept holds that each man has a value as a sovereign being. This is an illusion and a dream."

That is what Mr. Marx said.

° ° °

I am bringing up these points simply to sound a word of caution that, while the "smile campaign" is certainly very advantageous, and I am delighted it has taken place, the democracies who have great difficulty in retaining their unity amidst this sort of atmosphere must bear in mind that, so far as we can tell now, there has been no significant departure from any Soviet position which has heretofore been considered as important.

Two weeks ago yesterday, Mr. Bulganin [Nikolai A. Bulganin, Soviet Premier] and Mr. Khrushchev were entertaining Chancellor Adenauer [of West Germany] and toasting to peace, perpetual peace—but at the very moment that was happening, in the satellite states the steam shovels were continuing their work in building additional airfields, and we have the situation that the Soviet potential continues to grow. Whether they will use those airfields or not, I cannot say, but our job—and our job from the question of creating an enduring and lasting peace—is that we must be able to maintain a balance of power, and that is the object of the North Atlantic Treaty Organization.

Our thesis—and it is the thesis of all of the 15 governments—is that if we can develop sufficient power to make an attack by an aggressor extremely costly, then it will never take place.

In other words, we consider that we are a peaceful organization, and in case there might be in any of your minds a lingering doubt as to whether or not we have aggressive tendencies, let me assure you that in our headquarters, which does a major part of the planning, there has never been as much as a single sentence written which envisages that we take the initiative in an attack. In fact, our big worry is how we can absorb, and how we can survive under, an attack in which the other side has the advantage of surprise.

We can therefore approach the world and the Soviets with a clean heart, that actually the object of our organization is to prevent war from taking place. We consider it a strong force for peace.

Most people agree to that, and I am sure there is no difference of opinion among the people in this audience on that score, but here is where the problem comes: An alliance is a very difficult thing to make function. None has ever functioned successfully in all of history in time of peace. Ours has functioned reasonably well in these four and a half years since General Eisenhower went to Europe, but how it is going to function in the future depends more and more on the participation of the people, their confidence that it is an instrument for peace, and their belief in it to the extent that they will continue making the necessary sacrifices.

We do have this matter to consider—and that is that it is of tremendous importance for America to keep this alliance going, because of our position in the world now, and certainly in the industrial field of production and productivity achievements. This mantle of world leadership has fallen on our shoulders, but that same mantle does not give us necessarily the wisdom to lead the world in this kind of competition.

° ° °

Red Propaganda Is "Effective"

The Soviets, from the standpoint of propaganda, and especially from the standpoint of devising propaganda, do a very effective job, and at stake are 450 million people that belong to the North Atlantic Treaty Organization, of which 165 million people are ours.

Probably the impact on our people, we say, is not so great, but it makes a difference to be 30 minutes away from Soviet bombers which many of the people of Europe are, where devastating attacks can be launched on them, and the tendency for wishful thinking is one that is inherent in all human beings. Certainly you see tendencies of it even in this country. To be able to keep an alliance in this kind of an atmosphere is going to require a very widespread exercise of leadership, and that is the reason why I bring this matter to your attention.

° ° °

In conclusion, I want to say that I feel that we have made such tremendous progress that if we were to weary and falter now, it would be nothing short of a catastrophe. We have a fateful period coming up. A month from today you will be reading the first report of the second Geneva conference which starts a month from yesterday. I hope that, whatever our leaders decide in regard to a position, you are going to give them your support. It is important, of course, that we get an agreement with the Russians, but what is more important still is that we be right, and that we get out of this an enduring and stable peace. The two things are not the same, necessarily. For the people to understand that is very complicated, and is going to require a high degree of application on the part of leaders such as you.

. . . I express my complete confidence that we are going to be able to solve this problem and, if we can only preserve our unity, I am positive that no power, however menacing, will be able to prevail against us.

WHERE TAXES ARE RISING

State and Local Governments Scratching For Revenue

If you have a dollar of untaxed income or wealth, your State or local government is after part of it.

The drive for more revenue—by States, cities, counties, school districts—is at fever pitch, and it has just begun.

New taxes, higher rates or new wrinkles in old levies, smaller exemptions and deductions—nothing is overlooked.

This year is to go down as one in which States, cities and counties looked further and scratched deeper for revenues than in any year in a long time. The search for more cash is fast becoming a scramble.

Behind this treasure hunt is mounting pressure for more schools and hospitals, better roads, expansion of water and sewerage systems. Spending by State and local governments jumped from 10.5 billion dollars in 1944 to 40.5 billion in 1955. The big dollar increase—18.8 billion—has been in local spending, which now amounts to 26 billion a year.

Result is growing concern and activity in State legislatures, city councils, county commissions and school boards. This year, 46 State legislatures met. No fewer than 42 took major action on taxes, virtually all of it designed to do one thing—raise more cash.

Cities and counties, too, have been digging frantically, adopting any new taxes authorized by their legislatures, then—in most cases—turning again to the property tax.

The big goal this year is a painless tax extractor, some gimmick that will siphon dollars into public treasuries without bringing screams from taxpayers. A few States and localities are finding devices that are fairly new, if not painless. Most, however, are forced to rely on old standby levies.

Speed-up. In Maryland, the Legislature has managed to breathe temporary life into an ailing budget by use of a one-year windfall. This is being created by a switch to the pay-as-you-go plan for individual income taxes.

Until now, Marylanders have been paying their State income taxes in the year following the one in which they earned the income. Now, they will start paying as they earn. Wage and salary workers will have taxes withheld from pay checks by employers. Others will file quarterly estimates and payments.

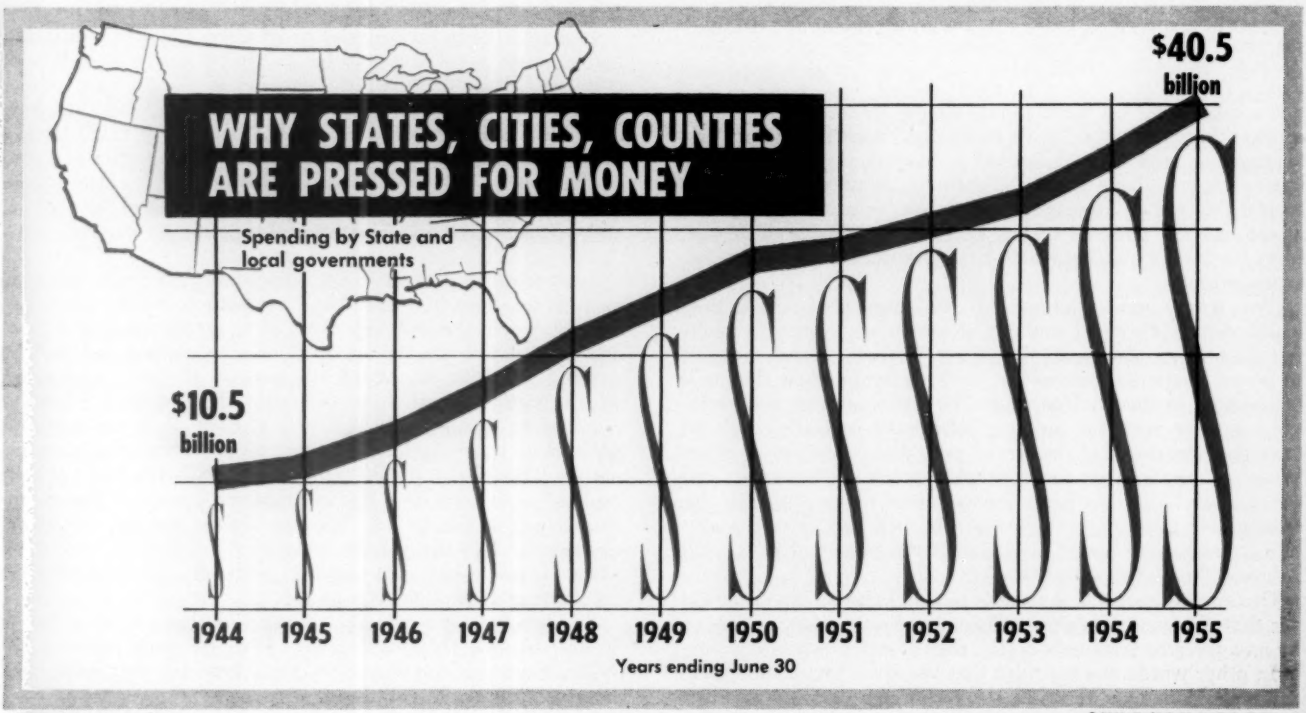
The speed-up means that Marylanders will be settling 1954 taxes while they are catching up on 1955 taxes, and they will be finishing off 1955 while paying currently on 1956. Result: two years' taxes in one. Then the State can start looking for more permanent solutions to its budget problem.

Maryland's neighboring State of Virginia now is eying this one-year windfall longingly. As things stand, Virginians will pay taxes on 1954 income this December. It's all but certain, however, that the 1956 Assembly will consider moving that tax payment date up six months.

That action would not put Virginians on a pay-as-you-go basis. Yet, it would give the State its income tax money six months earlier in 1956 and at regular one-year intervals thereafter.

The switch to pay-as-you-go—accomplished with payroll withholding—is gathering momentum. Before 1955, six States used withholding for income taxes. This year, four more States—Maryland,

(Continued on page 118)



Basic data: Census Bureau

© 1955, By U.S. News Pub. Corp.

ERMA

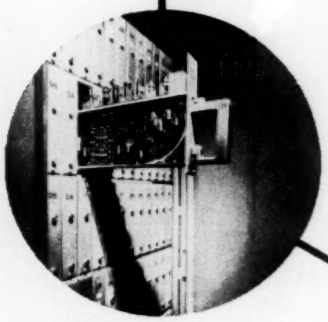
ELECTRONIC RECORDING MACHINE ACCOUNTING

ERMA is a machine... conceived and developed by bankers for the service of banking.

With **ERMA** in operation, a bank will for the first time utilize the wizardry of modern electronics to perform large scale bank bookkeeping.

ERMA will perform with lightning speed and complete accuracy the complex chores of crediting deposits, debiting withdrawals, recording new balances (at the same time checking for hold or stop-payment orders) and do the entire job in one tenth of a second! **ERMA** will also remember the details of all transactions and, at the end of the month, turn out a complete printed statement of every account.

The development of **ERMA** is another example of Bank of America pioneering—of its long tradition of leadership. **ERMA** required more than five busy years to design, develop and assemble and represents the climax of our unrelenting search for new methods of meeting the banking needs of California's ever-expanding economy.



Bank of America
NATIONAL TRUST AND SAVINGS ASSOCIATION
MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

Like technical facts?

ERMA contains 34,117 diodes, 7,879 vacuum tubes and 1,000,000 feet of wire. It generates enough heat every hour to warm 3 eight-room homes and is cooled by its own air conditioning system capable of manufacturing 25 tons of ice per day.

"Imagine! MOVING DAY and nothing to do!"

United

Pre-Planning solves all your Moving Day Problems

United plans your move *for* you—in *advance*—piece by piece—step by step—saving you tedious work and worry. United's trained movers know exactly how to handle your things—there's no wasted time, no fumbling, no delays. That's Pre-Planned moving—and it costs no more than the ordinary kind. And only United moves you in Sanitized Vans.

PACKING • CRATING • STORAGE

More than 450 Agents in the U. S. and Canada

Free ... MAIL COUPON

I'm planning to move ... please send free Pre-Planning Kit, containing carton markers, change-of-address cards, moving day hints.

UNITED VAN LINES, INC.
Dept. W, St. Louis 17, Mo.

Name_____

Street_____

City_____ Zone____ State_____

United Van Lines Inc.

Look Under "Movers" in Phone Book for Nearest United Agent

Finance Week

. . . Taxes by installment are gaining favor

Alabama, Idaho and Montana—made the change. Other States—and many localities—have put a variety of other taxes on a current, or semicurrent, basis through installment plans.

Some novel ideas. The plan for current payment is only one of many popular ideas.

Oklahoma has just levied the first specific tax on uranium ores.

Illinois has applied its sales tax to refrigerators, stoves and other "personal property" that building contractors install in new homes.

Florida slapped a selective tax on tangelos, limes and **avocados to** pay for promotion and inspection programs.

The Alabama Legislature, at the urging of Governor James E. Folsom, has enacted a special increase in the franchise tax on out-of-State corporations doing business in Alabama.

These are only examples that show how States in 1955 have sought revenues from sources other than the mainstays—the State income tax, sales and selective excises. Counties, cities and school districts have been seeking revenue from sources other than their traditional property taxes.

Sales taxes were enacted or raised all over the country in 1955.

Nevada's adoption of a State sales tax of 2 per cent puts at 32 the number of States using that levy. Six other States boosted their sales taxes, with Washington hitting a new high of 3½ per cent. Still others extended temporary increases that were expiring.

Even before these actions, the sales tax was easily the States' biggest money raiser.

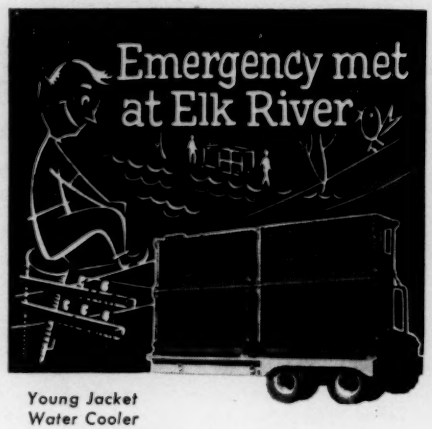
Many States, too, have been giving localities wider taxing powers, including authority to impose local sales taxes. Some have given cities and counties permission to slap such a levy on top of a State sales tax. As a result, local sales taxes have been adopted so rapidly that even the local governments' own organizations have lost count.

Illinois has just allowed localities to add sales taxes to the State sales tax without prior approval of voters. As a result, nearly 300 localities in Illinois already have such levies.

California, in what is unique legislation so far, has authorized localities to add a 1 per cent tax to the State's 3 per cent sales levy in a fashion that seems likely to make that 4 per cent pattern uniform throughout the State.

The hundreds of local sales taxes, however, remain concentrated in relatively

(Continued on page 119)



Young Jacket Water Cooler

To boost output in a critical rural Minnesota area, the Elk River Power Association used a Diesel driven 500-KW electric generating system mounted on two heavy-duty truck trailers. Two Young Radiator Company 4-section Radiators cool 325 gallons of Diesel engine jacket water for the vital emergency unit. Whatever type of heat transfer equipment you require, it will pay you to take advantage of Young Radiator Company's 28 years of experience. Write for free folder today.

YOUNG RADIATOR COMPANY
RACINE, WISCONSIN

"Creative Heat Transfer Engineers for Industry"
EXECUTIVE OFFICES: RACINE, WIS., Dept. 75K
PLANTS AT: RACINE, WIS. AND MATTOON, ILL.

in Cincinnati your best bet is the NETHERLAND or TERRACE PLAZA HOTELS
You'll feel "at home" with the smooth service, the modern air conditioned accommodations and the excellent food.
"DRIVE-IN" REGISTRATION at the Netherland Plaza. Register in our parking garage and go directly to your room.
John G. Horsman, Gen. Mgr.
Owned and Operated by Thos. Emery's Sons, Inc.

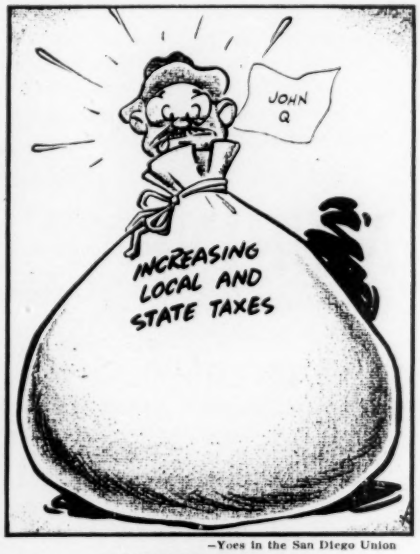
. . . 15 States boost tax on gasoline

few States. Most States hold tenaciously to exclusive authority to use the big money raiser. So most cities and towns and counties must look elsewhere.

License taxes—applied to gross sales of businesses in the manner of sales taxes—are being utilized by many localities where the States will permit such action.

Other areas, attempting to put part of the new burden elsewhere than on property owners, are laying taxes on transient accommodations, property transfers or almost anything in sight that seems to hold revenue possibilities.

Specific sales levies also are to be paid by residents of more States and localities—and, incidentally, by visitors, too. More and more, State and local governments are making efforts to shift taxes to firms or individuals who wander into, or do business within, their borders.



—Yoes in the San Diego Union

"SUFFOCATING"

Soaring levies are squeezing taxpayers

Taxes on gasoline and other motor fuels have been boosted in some 15 States. New York put an increase up to voters. Several other States re-enacted increases that were due to expire. More than half of the States now tax gasoline at 6 cents or more a gallon, 10 of these at 7 cents.

At the same time, many States are resorting to increases in car and truck-registration fees or boosts in mileage taxes.

Residents and visitors will pay a new tax on cigarettes in Missouri—and in Oregon, too, if voters approve. And they

(Continued on page 120)

80 PROOF
DRAMBUIE
Prince Charles Edward's
DRAMBUIE
A LINK WITH THE PAST
"No matter where you are—after dinner there's nothing like a dram of Drambuie"
The cordial with the Scotch Whisky base
Made in Scotland since 1745 from the secret recipe of Prince Charles Edward's personal liqueur, Drambuie is famous for its unique dry flavour and exquisite bouquet.
after dinner a DRAM of DRAMBUIE
Imported by W. A. TAYLOR & CO., N. Y., N. Y., Sole Distributors for the U. S. A.

The management staffs, the production staffs, the men of science, engineering, sales, distribution, finance, transportation—these men are cover-to-cover readers of "U. S. News & World Report" because they *must* keep informed on national and international trends.

Advertise your products and services to more than 725,000 of America's top families.

U. S. News & World Report

Advertising Department

30 Rockefeller Plaza, New York

MAC THE MAILMAN SAYS

Speed Mailings, Save Money

with

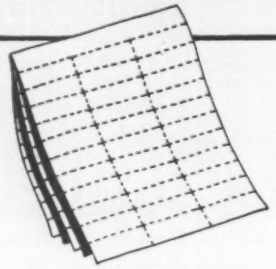
EUREKA

DUPLISNAPS

They're a Snap to use — T.M.

20% Faster . . .

100% More Efficient



- **Duplisnaps** are carbon interleaved. No carbons required! 33 perforated, gummed labels to a sheet. Each label (2-13/16" x 1") is large enough for a four line address.
- Saves hours of typing — 2, 3, 4, 5 or 6 labels can be typed in one operation.
- Labels typewriter-spaced for quick typing.
- Labels perfectly aligned. Once you co-arrange the top edge of a set with the aligning bar on typewriter no further adjusting needed.
- One quick "snap" removes carbons intact . . . no tedious and time-wasting hand separating is needed. No carbon smudges on labels!
- Each sheet in a set is numbered in sequence on bottom tab . . . simplifies sorting into groups which allows successive mailings to be sent out in an orderly sequence.

and don't forget

DUPLISTICKERS and DUPLISTICKER MAIL AIDS are 8½" x 11" sheets of gummed perforated labels. There are 33 labels to each sheet. Each label is 1" x 3-13/16". Available in six colors — white, blue, green, pink, canary and goldenrod.

DUPLIQUIK labels — similar to duplistickers in size, purpose and versatility, except the paper stock is specifically designed for use with liquid or spirit type duplicators. DUPLIQUIK gummed labels can also be used with typewriter or offset duplicating machine.

For complete details, see your favorite stationer, or write

EUREKA

EUREKA SPECIALTY PRINTING CO.
576 ELECTRIC ST., SCRANTON 9, PA.

. . . 41 States impose levy on cigarettes

will pay increased taxes in 11 States. Georgia went from 3 cents to 5 cents a pack. These taxes now range as high as 8 cents a package, with 41 States taxing cigarettes.

Drinkers of alcoholic beverages also will pay more in nine States.

Localities, meanwhile, are applying specific sales taxes to more and more items in more and more places. Gasoline taxes, for just one example, are used by hundreds of cities and counties. Taxes on cigarettes, liquor and admissions are being used by more communities.

Income taxes are going up, too. The switch to pay-as-you-go plans is only one part of the States' 1955 effort to wring more cash out of individuals on their incomes and from corporations on a variety of bases. As of now, 31 States tax personal income.

Nearly a third of these took some action or other in 1955 to increase revenue. Some laid a flat percentage surtax on top of existing income taxes. Minnesota, Mississippi and Wisconsin, for example, adopted surtax layers ranging from 5 per cent to 20 per cent of the former tax amounts.

Idaho, Vermont, Iowa, Oregon and Georgia, all took some revenue-inflating action—cutting exemptions, raising rates, repealing "tax credits," adding surtaxes, repealing deductibility of federal taxes or combining such actions.

Corporations did not escape. They'll pay higher income taxes in eight States, and lower rates in only one—Georgia. Michigan raised its "value added" tax. Maine and Idaho doubled their capital-stock taxes, while Alabama, Mississippi, New Hampshire and Texas raised rates on those same levies.

New sources. Local governments, meanwhile, are moving rapidly to adopt taxes authorized by their State legislatures and to petition legislatures for more taxing powers. While they hunt for new sources, their property taxes are pushed up relentlessly by pressures generated by demands for more local services and facilities. With all the new levies in use, property taxes still supply local governments with more than 86 per cent of the revenue they raise locally.

State and local levies, obviously, are the taxpayer's pressing headache of the moment. While individuals and corporations are enjoying the benefits of federal tax cuts—and anticipating more—States and localities are pushing in to get their share in bigger chunks.

Nowhere in the picture is there any sign of an end to the rush to boost State and local taxes.

Soothe your tired eyes

WITH A **2-DROP BATH** OF **MURINE**

Before you close your eyes in sleep, soothe and refresh them . . . wash away the tiredness of the day with just two drops of Murine in each eye. Because of its seven tested ingredients, Murine blends perfectly with the natural fluids of the eye—and it is as gentle as a tear. So use Murine regularly every day as often as your eyes feel tired. It makes your eyes feel good.

MURINE
for your eyes

Changes of Address

Notice of change of address should be sent not less than two weeks prior to the date change becomes effective. Send the address at which copies are now being received and the new address at which you wish to receive copies.

U. S. News & World Report
Circulation Department
435 Parker Ave., Dayton 1, Ohio

For richer tasting rum drinks

DAGGER
Jamaica Rum

97 Proof • Schieffelin & Co., New York

SAVE WITH SAFETY . . . YOUR MONEY EARNS MORE

3½% ACCOUNTS INSURED to $10,000

Get our FREE LIST of Federal INSURED Savings Associations paying 3½% current dividend.
ALBERT J. CAPLAN & CO.
Members: Phila-Balto Stock Exchange
1516 LOCUST ST., PHILA. 2, PA.

Trend of American Business®

24th and N Streets, N.W.
Washington, D.C.

Boom in home building shows some signs of easing in the months ahead.

Contracts for new dwellings in September slipped 6 per cent below same month a year ago. F. W. Dodge Corporation, industry statistician, reports that this is the first year-to-year decline since December, 1953.

Tighter credit for new housing is said to be responsible for the dip.

Actual construction on housing also is easing slightly--very slightly.

Outlay for new housing in September, after seasonal adjustment, is put at $1,334,000,000 by Commerce Department. That compares with $1,337,000,000 in August, $1,372,000,000 in July.

Decline over the two-month period amounts to 2.8 per cent.

Note that this trend probably is regarded as desirable by officials. The aim for some months has been to put a damper on mortgage credit, on the theory that the housing boom threatened to get out of hand.

Construction boom, as a whole, still is going strong.

Total contract awards reported by the Dodge concern for September were up 12 per cent over September, 1954. That was the seventeenth successive month to show a gain over the corresponding month of the year before.

Contracts for nonresidential building--industrial plants, stores, office buildings, etc.--were up 10 per cent over the total for September, 1954.

Utilities and public works showed a 51 per cent gain.

Building activity, quite clearly, is to continue at a high rate for some months yet. Contract awards are a measure of future construction.

Current construction also is running at an all-time high.

Total construction put in place in September came to 4 billion dollars. That's the actual outlay, not adjusted for seasonal shifts.

Building activity for the three months ended in September was the highest ever recorded by the industry, 9 per cent above a year ago.

Commercial building topped 300 millions in September, a monthly record.

Industrial construction also came up to the record in September.

Church building, too, is at a new high--70 millions for the month.

Public-school construction reached a new monthly top in September.

Highway projects also are running at a high rate, and programs to build sewers and water systems show no signs of slackening.

Outlook is that commercial and industrial building, along with public works, will continue to rise in the period ahead. Demand is strong.

It's doubtful that rises in nonresidential construction can offset any substantial downturn in residential building. Outlay for new dwellings

(over)

accounts for more than half of all money spent on private building.

Mortgage credit, however, is not to be allowed to become too stringent.

Federal Home Loan Banks floated consolidated notes of 325 millions to help meet financial needs of member savings and loan associations.

Reason is that demand for mortgage money rises sharply in the autumn to meet commitments made on new houses started in spring and summer.

Savings and loan associations often borrow from Home Loan Banks to meet these commitments, then make repayments in winter and spring.

Repayments by associations are made out of proceeds from shares sold to individuals and from repayments on their own mortgages.

Home Loan Bank notes are short-term. One batch for 200 millions is to mature March 15; the remaining 125 millions matures July 16. The issue is designed to tide mortgage lenders over the months just ahead.

Retail trade almost surely will rise to record heights this winter.

Individual incomes during the first eight months of the year were running 13 billions ahead of 1954, and the trend still is upward.

Income rate in August was 305 billions a year. That compares with a rate of 292.2 billions at the beginning of the year last January.

Personal income showed a slight dip from July to August, but that was due to retroactive pay raises given federal workers in the earlier month.

People's income from sources other than Federal Government payrolls rose by 1.5 billions, at an annual rate, during August.

Income payments in August were 3.5 billions higher than in June.

In other words, total income payments to individuals have been rising each month at a rate of better than 1 billion dollars a year.

Income increases of that size are certain to be reflected at the retail counter. In fact, they have been. That explains booming sales so far this year, and it's a definite promise of a sales boom for the Christmas season.

The boom is showing up in profits and dividends, too.

Corporations are reported by Commerce Department to have paid out more than 5.5 billions in dividends during the first eight months of the year. That compares with a little less than 5.2 billions for the same period of 1954.

Big dividends also lie ahead. A large number of companies are expected to make sizable year-end payments.

All groups of companies are making larger payments this year.

Manufacturing firms, on the whole, have paid out 7 per cent more in dividends this year over a year ago. Only laggards in this group are textile companies and the automobile industry. The lag in auto dividends is explained by the poor 1954 profit experience of smaller firms in this industry.

All nonmanufacturing groups are paying larger dividends this year.

Perspective on the boom: Total output of U.S. is at a record high, but Federal Reserve Bank of New York notes that the increase over the 1953 peak is only 4 per cent, while population has increased 3.5 per cent in past two years.

The boom, in other words, may be just a reflection of growth.

The little old lady who "owned" a caboose

This little old lady inherited railroad stock from her husband. It was worth the cost of one caboose.

As everyone knows, one caboose doesn't make a railroad—nor does one stockholder comprise its ownership.

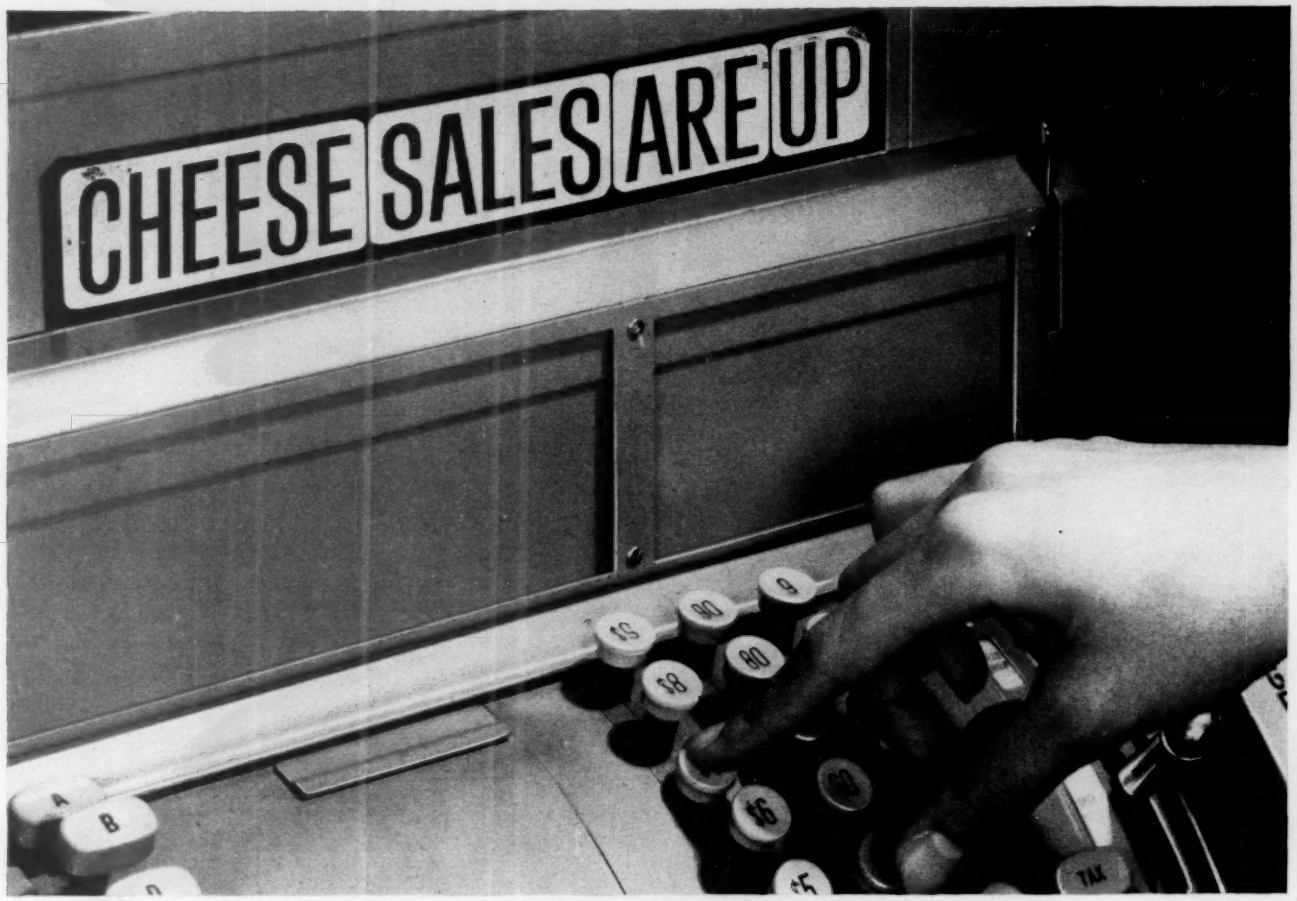
The Norfolk and Western, for example, is owned by many thousands of people in all walks of life in all parts of the country—folks who have saved their money and invested it in N & W stock.

If you wanted to buy the Norfolk and Western, you'd have to make your check for many millions of dollars. But you wouldn't send the check to the Norfolk and Western Railway Company, because the Company doesn't own the stock.

Instead, you'd have to buy it in bits and pieces of stock owned by 31,818 different shareholders — men, women, trustees, guardians and even other business firms who own N & W stock and whose stock in turn is owned by many thousands of people. Most of the profit the railroad makes is divided among these people who have worked and saved to buy ownership in the N & W.

This simple arithmetic proves that America's big business is owned by people like you. Actually, in the U. S. A. nothing is more public than private business. And nothing is more representative of freedom and the rights of the individual than a system in which the nation's big, basic businesses can be owned by millions and millions of people like the little old lady who "owned" a caboose.

Norfolk and Western Railway



Things happen when a dairy farmer turns cheese salesman!

This is October—the Cheese Festival Month! And here's the story of how it got that way! Exciting reading for every businessman concerned with making sales.

Until ten short years ago, the Holiday and Lenten seasons were the two best times of the year for selling cheese.

Then the dairy farmer-businessman, through his promotional voice, the American Dairy Association, set out to create a *third* selling season for cheese.

Why October? For two good reasons. First, cheese made during the flush milk periods of May and June is ready to market in October. Second, appetites sharpen during cool, crisp fall days. What better reasons than these for an extra cheese promotion?

Did it work? Well, look about you—at the cheese displays in the stores right now—at the increased advertising of cheese by grocers and at the extra promotion by manufacturers of branded cheese products—all aided and abetted by dairy farmers turned cheese salesmen.

How about sales? Well, in 1954 every American man, woman and child ate, on the average, over 30% more cheese than in 1940. The annual Cheese Festivals not only are important reasons for this gain—they also have done much to smooth out the cheese sales curve to hold it at a higher, steadily ascending rate.

Watch "DISNEYLAND" and "THE LONE RANGER," ABC-TV

AMERICAN DAIRY ASSOCIATION

The Voice of America's Dairy Farmers

20 North Wacker Drive • Chicago 6, Illinois

This message is paid for by dairy farmers across the nation as part of their program to show how you can live better with foods made from milk.

You never outgrow your need for foods made from milk!

PLUS & MINUS
Latest Indicators of Business Activity

Business firms are ordering goods at a record rate, trying to meet strong consumer demand, build inventories and add to their own plant and equipment. Fear of price increases plays a part.

Wholesalers received heavy orders in August from retailers and manufacturers. Sales were 17 per cent above August, 1954. In the first seven months of 1955 there was a gain of 8 per cent over a year earlier.

Heaviest demand from wholesalers was for metals. Metals sold in August were 46 per cent more in value than a year ago. There were gains of about one fourth for building materials, machinery, electrical goods. Sales of furniture and auto supplies were up about a fifth.

Soft goods also were in strong demand from wholesalers. Drug and chemical sales were up 17 per cent from a year ago. Dry goods and apparel were up 9 per cent; food, tobacco and beverages were up 7 each.

Manufacturers, too, were flooded with new business. As the top chart shows, they received 29 billions of new orders in August, 7 per cent more than in July and a third more than a year ago. Orders about equaled their peak of January, 1951. The total then was inflated by a rush of orders for military goods.

Orders for metals—largely steel—jumped to 2.7 billions, up 13 per cent from July, 75 from a year ago.

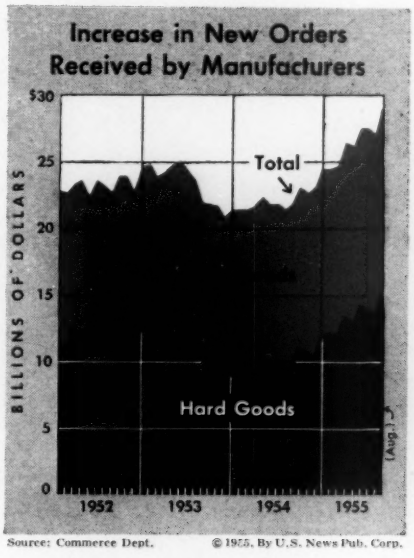
Machinery orders mounted to 3.9 billions, 7 per cent above July and 55 above a year ago.

Transportation-equipment orders amounted to 3.8 billions, up 14 per cent from July, 90 from August, 1954.

Hard goods of other kinds, such as furniture, building materials, fabricated metals, were ordered in volume.

Soft goods totaling 13.7 billions were ordered, 1 per cent more than in July, 13 above a year ago.

Unfilled orders of manufacturers increased to 52.2 billions on September 1, up about 1 1/5 billions in a month and nearly 5 billions above the same date in 1954. Almost all the 5 billions was in metals.



Goods ordered by department stores from their suppliers in August increased 12 per cent over July. That exceeded the normal increase for August.

Inventories, though rising, have lagged behind the increase in sales. Manufacturers' inventory, for example, has risen 3 per cent in the past year. Sales are up 19 per cent.

Business inventories climbed to 79.6 billions in August, up 400 millions in the month and 2.3 billions above August, 1954. Business inventories have risen each month this year.

Price increases, already announced or widely expected, are spurring efforts to rebuild inventories. Higher prices have been announced for automobiles, TV sets, furniture, and farm equipment. Unofficial surveys indicate moderate price increases lie ahead for a considerable number of manufactured articles.

Business activity, meanwhile, remains strong.

Department-store sales were 15 per cent above a year ago in the week ended October 1, with gains of more than 20 per cent in some areas.

Factory output stands at 143 on the indicator, highest level on record.

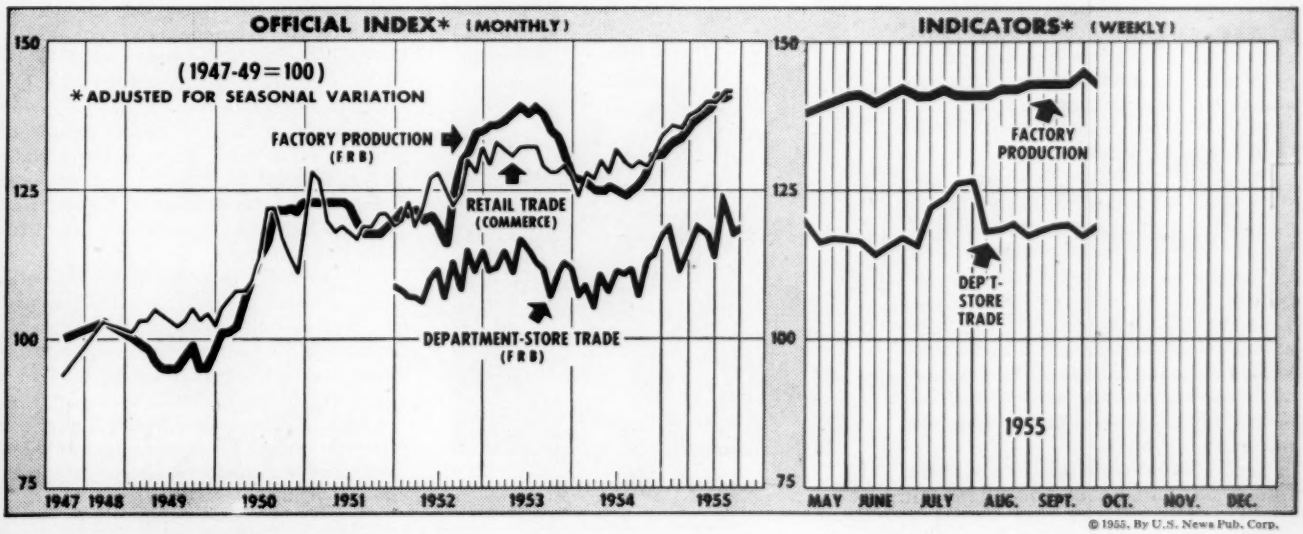
The auto industry is girding itself for heavy production of 1956 models in the remainder of 1955.

The steel industry is operating at about 97 per cent of capacity.

The job total in September was the highest on record for the month. The upward trend of nonfarm jobs continued. Unemployed workers were fewer than in August, when they numbered only 2,237,000.

Personal income was at a rate of 305 billions per year in August, 18 billions above a year ago.

Need for larger inventories has grown out of the strong demand for goods. But, if business is to expand safely, a scramble for goods must be avoided.



© 1955, By U.S. News Pub. Corp.

Allen Dulles Warns:

TROUBLE AHEAD FROM RUSSIA'S SURPLUS GUNS

A "substantial" stockpile of Russian arms now is set aside to be sent to other countries where weapons can stir up trouble.

That is a new report by the top U. S. intelligence official, Allen W. Dulles.

Thousands of medium and heavy tanks, 4,000 to 6,000 MIG-15 jets, plus guns and ammunition are in this reserve, Mr. Dulles declares.

Several countries in the Middle East have been approached with offers of these arms. Others, in Latin America, may be next.

How the non-Communist world can combat this and other Communist techniques is explained here by the U. S. intelligence chief.

Following are extracts from an address by Allen W. Dulles, Director of the Central Intelligence Agency, before the International Association of Chiefs of Police at Philadelphia, Oct. 3, 1955:

It is an honor to appear before this association, which represents so many of those engaged in law enforcement in the free world.

If I were asked to point out the most obvious difference between the free world and the Communist-dominated areas it would be this: The free world provides for law enforcement that protects the right and liberties of the individual. Here the police authority represents the very essence of democracy in action. Law enforcement in the Communist world looks first and foremost to safeguarding the ruling regime without regard for individual rights. Here the police authority becomes the shield of entrenched autocratic authority.

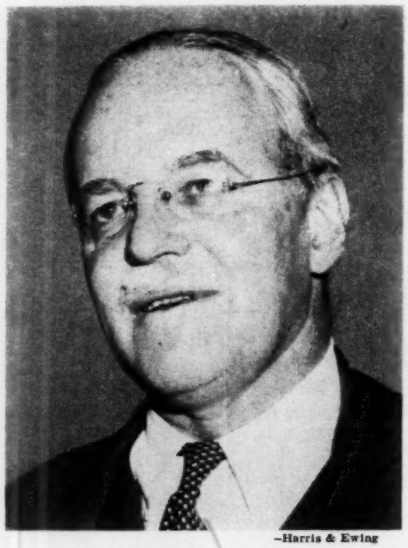
It is fortunate that over the years steady progress has been made in improving our techniques of law enforcement and in building up co-operation between the various jurisdictions of police authorities on both a national and international scale. For since 1917, and increasingly during the past decade, the problem of maintaining domestic law and order has had to face a new and unprecedented danger—world-wide Communist activity.

What we often refer to as organized crime on the domestic front certainly presents you with plenty of problems. But there is a sharp difference between the resources and capabilities of the private criminal, whether acting singly or in organized groups, and the international conspiracy of Communism, with its headquarters in Moscow, an affiliated organization in Peiping, and branch offices in Warsaw, Prague and many other centers.

Such a world-wide conspiracy as this fosters no ordinary breed of criminal. It is engaged in no ordinary type of law breaking. Its members are carefully trained, operate with great skill and with the backing of a far-flung and efficient organization. Its work is often hard to detect, partly because the motives which influence the ordinary criminal are lacking.

Here the real motive is the weakening of the fabric of non-Communist states in time of peace in order that it may be vulnerable to the long-range designs of the Communist movement. The success so far achieved, here and in many other countries, in controlling this conspiracy is a fine tribute to the efficiency of the police organizations of the free world.

The Soviets keep as a closely guarded secret the number of their own citizens and of foreign indigenous agents who are trained in the U.S.S.R., in China, and in the satellites for subversion and espionage. Certainly there are many tens of thousands. As the students graduate, they flow into the Communist apparatus throughout the world. You have undoubtedly met some of these alumni and, if not, you certainly will.



—Harris & Ewing

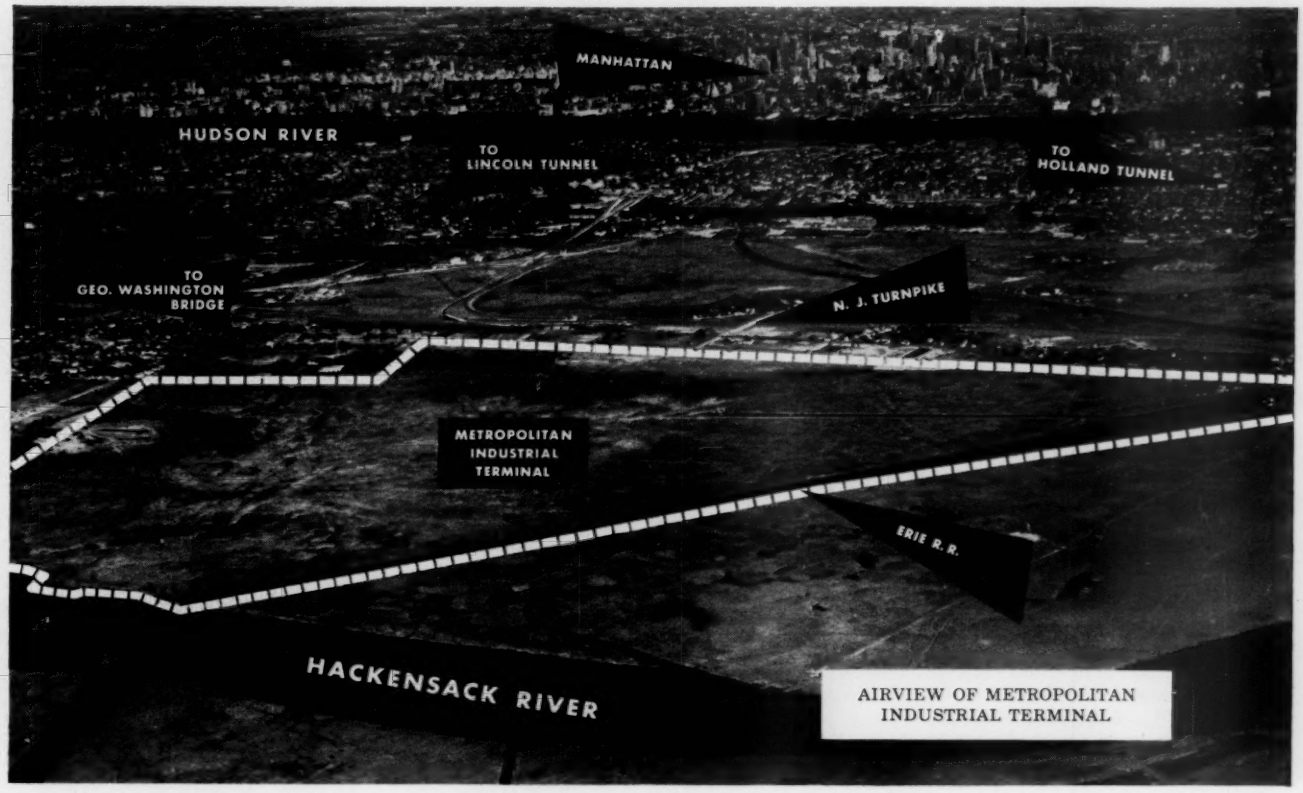
ALLEN W. DULLES

Some high members of the MVD [Soviet secret police] have revolted against the methods they have been taught to practice, and have come over voluntarily —"defected"—to the free world. They have told us much. Some of this has been published to the world. The Petrov case in Australia is a good example of this. In other cases, for security reasons, it has seemed to be wiser to hold back on publicity to help us to delve more deeply into the Communist organization and practices.

We estimate that the Soviet expenditures in training, support and operation of its over-all subversive mechanism may approach 10 per cent of its expenditure on its over-all armament program. On a comparable basis, that is, assuming that we spent a comparable percentage of our defense budget for defense against these activities, we would be allocating to this

(Continued on page 128)

YOUR NEW PLANT WILL GROW IN THE ERIE AREA



AIRVIEW OF METROPOLITAN INDUSTRIAL TERMINAL

1000 ACRES FOR INDUSTRY... MINUTES FROM MANHATTAN

...served by the dependable Erie Railroad

This choice planned industrial center, in Secaucus, N. J., has recently been made available to expanding and relocating industries. As a plant site area, it offers a combination of advantages of importance to many industries. Check these advantages . . . then mail the coupon below for detailed information.

7 minutes to mid-Manhattan; express highway service to all points

Erie railroad sidings to sites

All utilities and site improvements

America's largest pool of labor, clerical and engineering talent

Good community life and fine homes nearby

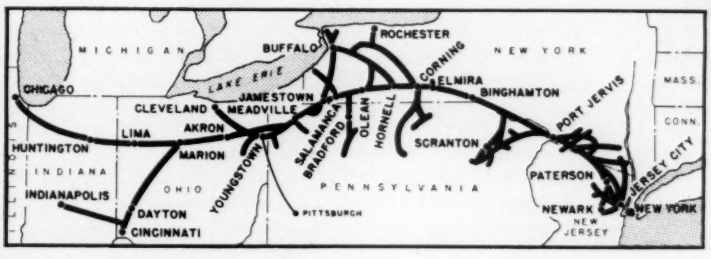
Favorable New Jersey tax structure

Main-line Erie Railroad service to the nation's largest single market, and unsurpassed export-import and docking facilities in the Port of New York.

Erie Railroad

Serving the Heart of Industrial America

ERIE



D. M. Lynn, *Assistant Vice President*
Industrial Development—Room 522-D, Erie Railroad
Midland Building, Cleveland 15, Ohio

Dear Sir: Please furnish us, in strict confidence, additional information about the plant sites described above.

Name _____

Title _____ *Company* _____

Address _____

City _____ *Zone* _____ *State* _____

. . . Czechoslovakia: "front for delivery of Communist arms"

work some 3 to 4 billion dollars annually. I need hardly tell you that such is not the case!

The importance of police and other internal-security forces in this work has become more and more evident in many parts of the world. Our conventional military forces are normally designed to cope with open, external aggression. Where countries are subject to Communist subversive tactics, the internal-security forces must generally be the first line of defense. It is up to them to ferret out the agents of subversion, stop the damage before it gets out of hand, and thus maintain internal domestic peace and quiet without the necessity for calling on the military forces to deal with open revolt.

In some instances—take Czechoslovakia in 1948, for example—where the police force is infiltrated or comes under ineffective leadership, the damage may be done before the armed forces have an opportunity to strike a single blow.

The need for effective police and internal-security forces is particularly felt in those countries which are on or near the borders of the Communist bloc. Here there is a vital need for protection against what has been called "internal invasion." As Communist agents and troublemakers infiltrate into such countries and cause disorders, the governments must have security forces which can spot and arrest the leaders and break up Communist-inspired riots and demonstrations. This does not call for tanks and jet aircraft; it calls for a trained and loyal police.

The various American programs for military and technical assistance to critical and underdeveloped areas can only bear fruit in a secure environment. It is for this reason that a number of countries where such aid is extended have requested that our programs should include help in building up the technical competence of local security forces to help to keep the peace internally and root out and suppress subversion.

The trained police of this and other free countries where the art of maintaining order is well developed will no doubt be more and more called on to contribute their skills and manpower to help in this important phase of anti-Communist activity. While I am on the subject of Communist techniques, I might mention a somewhat recent development in their program of sowing international discord—the Kremlin's new Trojan horse—but one that will look quite attractive to many countries which are under pressure to build up their military establishments.

How Soviet Stockpile Grew

As is well known, the Soviet emerged from World War II with a substantial stockpile of obsolescent and now fairly obsolete military equipment. This included, in addition to small arms, a good many thousands of medium and heavy tanks. Immediately following the war's end, the Soviet developed a whole new series of types of tanks and aircraft, including, in aircraft, for example, the MIG-15 fighter plane, the TU-4 (B-29 type) long-range piston bomber, and more recently the IL-28 light jet bomber.

It is now estimated that the Soviet has many thousands of these types of war equipment, some becoming obsolete, some surplus. All are likely to be replaced over the next few years. New tanks are in mass production, and new long and medium-range bombers are coming off the assembly line. For example, the replacement of obsolescent MIG-15s with newer models has created a reserve of some 4,000 to 6,000 MIG-15s, of which a very substantial number could be off-loaded as an adjunct to a general program of causing trouble throughout the world. Of course, a good share of this equipment has already gone to Communist China and to Indo-China, with results which are now clearly seen. There remains ample for other parts of the world, and we now hear of advanced negotiations with several countries of the Middle East. I should not be at all surprised if we soon heard that countries in this Hemisphere were being approached.

A premature start with this program was made over a year ago. You will remember that it was a shipload of obsolete arms sent by Czechoslovakia to Guatemala in the ill-famed freighter *Alfhem* [in 1954], which aroused the Guatemalan people to a realization of the Communist plans for a takeover of that country. Once again Czechoslovakia looms up as the front for the delivery of Communist arms—this time in the Middle East.

While this type of activity may not enter directly into your day-by-day work, it bears closely upon the over-all international security problem. We should keep a careful watch against the possibility that some of these surplus arms, particularly small arms, may find their way into the hands of selected unscrupulous private vendors and be used indiscriminately to foment trouble.

What Past Errors Show

If one looks back to intelligence failures of the past—Pearl Harbor, for example—we find that the error has generally come not in a miscalculation of enemy strength but in a miscalculation of enemy intentions. Of course, the policy maker often has to take a calculated risk where hostile intentions are not clear, and this applies both in the military and the political fields.

Today, of course, not only intelligence officers but millions of men and women throughout the world are trying to form their own intelligence estimate of the real intentions of the Soviet in the light of the recent Geneva Conference. Together with them, the intelligence agencies are scanning the reports and analyzing the signs and trends as well as the statements and actions of the Soviet leaders themselves.

A few days ago, at a banquet for the East German Communists, Nikita Khrushchev, the head of the Soviet Communist Party, made some interesting statements. It was one of his informal and likewise revealing speeches. He remarked, as reported by the radio and press services, that if anyone believes that our smiles involve abandonment of the teaching of Marx, Engels and Lenin—the name of Stalin was added, according to the official East German broadcasts, but does not appear in the Moscow reports—he deceives himself poorly. Those who wait for that, he said, must wait until a shrimp learns to whistle.

There is some debate among the experts whether the word should be shrimp or crayfish for there is an old Russian proverb that says: "I will do it when the crayfish whistles on the mountaintop." This, I understand, is a Russian way of saying "never"—although I learn on good authority that in the deep reaches of the sea, as detected by modern science, the crayfish or the shrimp do make some gurgling noises.

There is no hard evidence as yet, which we as intelligence or law-enforcing officers can accept, that the dangers we face from the secret underground subversive activities of Communism have ceased. Let us hope it does. Let us hope that Khrushchev hears the shrill call of the shrimp.

Meanwhile, in all free countries we cannot relax our vigilance in meeting the dual problem of protecting our national security from the lawless elements within and the lawless elements directed and controlled from without. In these tasks we shall need sound intelligence as to the external and internal dangers to ensure effective enforcement of law within a framework which safeguards the rights of the individual.

David Lawrence Editorial

ISSUES WIN CAMPAIGNS—NOT PERSONALITIES [continued from page 132]

toral votes and Bryan 155. Thus, economic issues were decisive in both 1896 and 1900.

But it was the campaign of 1904 which illustrated the strength of economic contentment as against emotional issues that are not quite potent enough to upset the Administration in power.

Thus, Theodore Roosevelt was popular as an individual, but he incurred the opposition of his party leaders by what was considered radicalism in those days—an attack on the corporations and their trusts. He had the support of only one newspaper in New York City. He was bitterly condemned by the conservative Republicans because, they said, he didn't follow as he had promised the policies of McKinley.

Vice President Theodore Roosevelt, when he took office in 1901, was approximately the same age as Vice President Nixon is today. Roosevelt was accepted as a liberal with conservative ties. He turned down some campaign funds by the big companies but didn't hesitate to seek the support of E. H. Harriman, railroad king, inviting him to the White House in a letter saying, "you and I are practical men," and promising to consult him about legislation.

An examination of the speeches in the 1904 campaign shows the continued reliance of the Republicans on the protective tariff as the builder of prosperity in those days. Also, Judge Alton B. Parker, the Democratic nominee, tried to be a "silver Democrat" West of the Mississippi, and a "gold Democrat" in the East, where free coinage of silver was associated with the idea of an adulterated currency and inflation. Theodore Roosevelt won by 336 electoral votes to Parker's 140. The economic issues were decisive.

In 1908, the nation was riding a wave of unprecedented prosperity. Although William Howard Taft, the Republican nominee, was a colorless and relatively unknown candidate, having spent most of his career in the dignified precincts of the federal bench, the Republicans again successfully centered their campaign on economic issues and argued that the radical Bryan was unsound on economic policy. Bryan toured the country and was easily the more popular of the two candidates, but the economic-contentment issue ruled the day, and Taft won with 321 electoral votes to Bryan's 162.

Here was an example, too, of a recovery from economic recession, for the downturn of business after the panic of 1907 was widely felt. It was on the upswing that the Republicans were able to win their victory and stay in power.

In 1910, a political surprise occurred. The Democrats won the House of Representatives for the first time in 18 years, and it was widely believed that this meant the Democrats in 1912 would poll more votes for the Presidency than the Republicans. For the economic-discontent issue was strong.

The high cost of living was blamed on the high tariff, and there were insurgent Republicans in Congress from the Midwestern States who accepted the Democratic Party's thesis. This resulted in a deep cleavage between two sections of the Republican Party.

Although Theodore Roosevelt had declared himself in 1904 against a third term, he felt that he was eligible to run in 1912 because he had been out of office for four years. A three-cornered race between Taft, Roosevelt and Woodrow Wilson ensued. The combined popular vote of the two Republican candidates, however, was larger than that polled by Wilson. Yet in the Electoral College, Wilson got 435 votes to 96 for his combined opposition.

Adverse conditions on the economic front, accentuated by the interruption of export trade after the outbreak of the European war, began to hurt the Democrats in the congressional election of 1914, particularly in the Eastern States.

In the presidential campaign of 1916, economic issues plus an emotional issue won a close contest for the Democrats. The Republican Party harmonized under the candidacy of Charles Evans Hughes, who had been a progressive Governor in New York State and who had resigned from the Supreme Court of the United States to enter the campaign. He had been drafted by the national convention without consulting his wishes.

But, while many Eastern States which were carried by Hughes showed the effects of negative voting based on economic discontent and unemployment, the Western States lined up affirmatively for the re-election of President Wilson. The slogan of the Democrats in that campaign was "peace and prosperity."

The prosperity was limited largely to the West, where wheat was selling at a phenomenally high price due to war demand. But with the aid of rural Ohio and New Hampshire—the only Northern States east of the Mississippi carried by Wilson—and, of course, with the Solid South and the West, the Democratic nominee won. It was nevertheless one of the narrowest margins in the Electoral College in our history. Wilson got 277 votes—only 11 more than the 266 necessary to win.

The emotional issue in that campaign was "peace."

(Continued on next page)

ISSUES WIN CAMPAIGNS—NOT PERSONALITIES [continued]

The American people—particularly large segments of the population which were of German or Irish ancestry—didn't want America to enter World War I. The slogan, "he kept us out of war," was powerful on the emotional side and Wilson benefited. Six months after the election, however, we were forced into the war anyhow.

The 1920 campaign saw the same elements in reverse. The very groups which had wanted to keep out of war now showed a deep resentment because of America's participation. Large groups of voters deserted the Democratic Party. But there were reasons of an economic nature, too. Wartime controls had been abruptly lifted, and prices had skyrocketed. Sugar went from the controlled price of 5 cents to 20 cents a pound. Irritations over government controls and over the Administration's handling of the railways and the telegraphs and telephones were widespread. It was a negative vote that the people cast in 1920.

James M. Cox, the Democratic nominee that year, had three times won the Governorship of Ohio, a Republican State, and was a popular figure. He made a remarkable campaign, speaking from coast to coast. His speeches were masterpieces. He defended the Wilson policies and supported American entry into the League of Nations, which at that time had become a strong emotional issue. The League was being assailed as likely to provoke more wars rather than maintain peace.

The Republicans had captured both houses of Congress in 1918 on the same anti-European sentiment, but its potency as an issue did not become apparent until the votes were counted in the 1920 presidential election.

Senator Warren Harding, the Republican candidate in 1920, was relatively unknown outside Ohio. He had served colorlessly in the Senate and was the handpicked nominee of the big conservative interests in the Republican Party. During the campaign he didn't leave the front porch of his home in Marion, Ohio, imitating the McKinley strategy.

So the popular candidate in 1920 lost and the unknown candidate won because the people were voting in a negative mood—against the Wilson Administration on both emotional and economic issues. Harding got 404 and Cox 127 electoral votes, the second biggest landslide in political history up to that time.

The campaign of 1924 was no exception to the rule of economic influence. The Teapot Dome scandals had hurt the Republicans politically, but Calvin Coolidge wasn't associated with them in the public mind because he had vigorously prosecuted the offenders.

So far as intellect and speech-making were concerned, John W. Davis, who had served brilliantly in Congress, made a great campaign and was easily the better qualified man for the Presidency. He toured the country, while Calvin Coolidge made few speeches and didn't venture out on long campaign trips.

The farm depression was being widely felt and was responsible for a big protest vote in the West.

The elder Robert M. La Follette, Senator from Wisconsin, running on a third-party ticket and seeking Democratic votes as well as progressive Republican votes, managed to take away more Democrats than Republicans in the West and drove many independent Democrats in the East into the Republican column.

There were 13 States, mostly in the West, where the combined La Follette and Davis votes exceeded that of Coolidge, but the latter won their 86 electoral votes.

The Coolidge victory, nevertheless, was due basically to economic issues, as many Democratic voters, fearing that conditions would become more disturbed by La Follette, voted for Coolidge, who polled 382 electoral votes as against 149 for his combined opposition.

By 1928 the nation's prosperity was again at a high point. Herbert Hoover had served as Secretary of Commerce but he wasn't a political campaigner in the traditional sense and had never run for office before. Al Smith, the Democratic nominee, had been elected Governor of New York three times. He made a nationwide tour of the country, drawing big crowds.

It is often said that an emotional issue—religious prejudice—decided that election. Undoubtedly some of the Southern States, where prejudice was stirred up against a Catholic as the party nominee, voted Republican for that reason. But in the North, the fact that New York State—which Smith had carried three times for Governor—failed him, too, was a clear indication that he would have been defeated anyhow for the Presidency.

For economic conditions in 1928 were good and, while Hoover wasn't as popular a candidate as Smith, the voters saw no persuasive reason to turn the Republicans out of power. Hoover was accepted as a man who would carry out the basic economic program of the preceding Administration. He got 444 electoral votes to Smith's 87.

Four years later—in 1932—the same man ran for reelection on the Republican ticket. He had had four years to acquaint the people with his progressive approach as contrasted with the conservatism of his predecessors. A worldwide depression, starting in 1929, had,

however, brought America the biggest total of unemployed the nation had ever known.

While Governor Franklin D. Roosevelt was well known in New York State, he was in 1932 relatively unknown outside that State. His campaign speeches were of a conservative nature. He repudiated his own support of the League of Nations, for which, as a vice-presidential candidate, he had stumped the country in 1920. He would have been elected in 1932 even if he had stayed at Albany and made those same speeches. "Popularity" as such had little to do with the result. It was a negative vote against Hoover. Economic issues were dominant. Roosevelt won 472 electoral votes to Hoover's 59.

The election campaign of 1936 came at a time when the nation was in the midst of economic recovery, and the Republicans—of whom there had long been a majority in the country—continued to vote for the Democratic nominee and against the return of the Republicans to power. Economic issues were again controlling, as Roosevelt won 523-to-8 against Alfred M. Landon.

In 1940, even though there was economic discontent, the people voted to continue the Democratic Administration in power because they felt the emotions of war and feared to make any change in the middle of such a crisis. Wendell Willkie was a colorful figure but he polled only 82 electoral votes in 1940, and Roosevelt won with 449. The emotional issue carried the election.

In 1944, the able Governor of New York, Thomas E. Dewey, accumulated only 99 electoral votes, while Roosevelt piled up 432, as the nation again voted not to change its Commander in Chief in the middle of a war.

The election of 1948 conformed to previous economic patterns. The country was fairly prosperous. The Republicans had come into power in Congress in 1946 because of economic discontent due to meat controls and other wartime irritations. But their program in those two years created fear rather than reassurance for the farmers of the West, who supported Truman. Economic issues were primarily responsible for the 1948 Democratic victory in the Electoral College—303 for Truman as against 189 for Dewey and 39 for Thurmond, who ran on the States' Rights ticket.

In 1952, the cry of corruption and the taint of Communist influence, together with the bungling in the Korean war, were the basic issues of an emotional nature which brought out the negative vote against the Truman Administration. They far transcended economic contentment as an advantage to the party in power. A less popular candidate than Eisenhower might, indeed, have won on the Republican ticket.

Integrity of administration is always an emotional issue in federal, State or local elections that can cut across any other issue and subordinate it if the facts are persuasive.

Turning to congressional elections, it is interesting to note that Truman in 1948 ran behind his congressional ticket. Theoretically, then, he was supposed to be weaker than his party, but the Democrats also lost ground in Congress in the 1950 elections.

Congressional elections rarely have a national flavor —they are largely local. Their outcome as a whole depends on issues vital to the sections or States in question. Economic factors, such as spotty unemployment, do play an influential part. This was emphasized particularly in the 1954 congressional elections when loss of a few seats due to the economic recession changed the party control.

For thirty years, with the exception of the 1948 election, every President who has won and every candidate who has lost has run ahead of his congressional ticket. Nobody used to suggest that this meant that the party had grown weaker than its leadership.

The disparity between the vote for President and the vote for Congress was smaller in the old days when all voting was on a single ballot. But since the introduction of separate ballots in most States, large numbers of voters do not take the trouble to vote for anyone but the President and Vice President.

From 1896 through 1948, the 14 winning candidates averaged 7.5 percentage points in total vote above their respective congressional tickets. Theodore Roosevelt polled about 14.9 percentage points above the Republican ticket in 1904, but Charles Evans Hughes got the same high margin over the Republican congressional slate in 1916 and still lost.

Franklin D. Roosevelt hit a mark of around 12 percentage points above his party in all four of his elections. Yet few persons suggested then that the Democratic Party would go out of business if someone else was chosen as its next candidate.

So it may be concluded that the results in congressional elections do not necessarily forecast the outcome of the next presidential election and that a political party cannot be ruled out today as unable to win an election just because it doesn't have a popular personality to lead it.

Parties are strong or weak at present depending primarily on whether the country is in a state of economic contentment or discontent, and on how the peace-or-war issues are met by the Administration in power.

Issues, rather than the popularity of a nominee, are the decisive influences in American politics.

ISSUES WIN CAMPAIGNS— NOT PERSONALITIES

BY DAVID LAWRENCE

THE FACTS OF POLITICAL HISTORY in America point significantly to the overriding influence of issues as contrasted with the public impression of the personalities on the rival tickets.

Millions of voters in our electorate do not really get to know either of the presidential nominees as a personality, but usually base their votes on the issues symbolized by the candidates. Surveys show that, while many voters may like or admire a man who is running for office, they do not necessarily vote for him.

In campaign after campaign for the last 60 years evidence is at hand that the more popular candidate, the abler of the two, often has lost the race because of the weakness of his party on paramount issues. Likewise, there are instances which demonstrate that even a candidate for the Presidency with no record of national popularity whatsoever can win if the issues favor his party.

These basic factors in the behavior of the American electorate may well be re-examined now in the light of current comments with respect to the coming presidential election in 1956. Three mistaken assumptions, for instance, have been widely publicized in recent months. They are:

First, that Eisenhower won the 1952 election solely because of his personal popularity.

Second, that the Republican Party was revealed in 1952 to be weaker than Eisenhower because the total vote for the Republican congressional ticket ran behind the total vote cast for the Republican nominee for the Presidency.

Third, that, because of the loss of control of the House of Representatives in the 1954 election by the Republicans and their failure to get better than a tie in the Senate, it is inevitable that the Democrats will win in 1956.

As a basis for prophecy, each one of the three assumptions is refuted by the facts of political experience revealed in the presidential and congressional campaigns since 1896.

Hence, an analysis of these campaigns with respect to the predominant issues and the popularity and unpopularity of the candidates now becomes pertinent.

There is one common denominator running through every one of these 15 presidential campaigns. It is that economic contentment can keep a party in office and economic discontent can force a change.

But there is one important qualification. If an emotional issue of protest sweeps the electorate, then economic contentment as an issue is not controlling, and the "out's" emerge victorious. Likewise, an emotional issue can be strong enough with the voters to overcome the political effects of economic discontent and thus keep an existing Administration in power.

No better example of a popular candidate who lost can be cited than the three defeats suffered by William Jennings Bryan. He was the strongest figure in the Democratic Party and a brilliant orator. He campaigned from one end of the country to the other and drew larger crowds than any man in the political history of America. There was, of course, no radio or television then, but his picture was placarded everywhere and his popular personality received more publicity in each campaign than did the other candidate. He was dynamic, while McKinley, who ran against Bryan in both 1896 and 1900, was colorless. The Republican nominee, moreover, conducted what became known then as a "front porch" campaign at his home in Canton, Ohio. He made only a few speeches and didn't travel around the country at all.

The electorate, however, still remembered in 1896 the panic and economic depression of 1893, when a Democratic President, Grover Cleveland, was in office. The Bryan campaign that year was based on an economic issue—the panacea of free coinage of silver, on a ratio of 16 dollars of silver to one of gold. The Republican slogan, on the other hand, was "sound money" and adherence to the existing gold standard.

There was for a time a theory that Bryan would win because farm prices were lagging, but they turned up before the campaign was over. McKinley won with 271 electoral votes to Bryan's 149.

In the campaign of 1900, the Republicans again stood on their economic contentment doctrine. The nation had prospered as a result of the Spanish-American war of 1898. The people were emotionally thrilled over the military victories in the Philippines and in Cuba. Bryan was the "isolationist" of that era. He cried out against American "imperialism" and wanted the United States to get out of the Philippines. But he couldn't make a dent with that emotional issue. The steady increase in employment and the excellent economic conditions made the voters feel that they had better not turn back to the Democrats. McKinley polled 292 elec-

(Continued on third preceding page)

Spiders that spin savings

THE piece of steel below is called a spider. It's part of a planetary gear used to reduce the speed of the final wheel shaft in a big farm implement. In operation, this spider is subjected to terrific pressures, so its steel must be tough

Wisconsin Axle Division of Rockwell Spring and Axle Company had difficulty machining the forgings from which these spiders were made. The job was slow and costly. Drills needed constant resharpening, and frequent shutdowns occurred when drive pins in the drilling machines sheared off. Looking for a steel that would machine easier, yet possess equal or superior strength, Wisconsin asked metallurgists of the Timken Company for their suggestions.

These experts studied the problem and recommended a special resulphurized Timken® forging steel for the application. Wisconsin immediately adopted their recommendation. As a result, these spiders are now spinning savings at a great rate. Drilling time per piece has been halved. Drill life has been increased five hundred percent. And the easier machinability of this Timken steel makes it possible to use the drills for a considerably longer time before they require resharpening.

This is one of hundreds of problems that have been stamped "Solved by Timken Alloy Steel". Why not let our metallurgists help you solve *your* special steel problem? Write: The Timken Roller Bearing Company, Canton 6, Ohio. Cable address: "TIMROSCO". Tapered Roller Bearings, Alloy Steels and Seamless Tubing, Removable Rock Bits.

COPR. 1955 THE TIMKEN ROLLER BEARING COMPANY

MARK TWAIN ASKS, "LOU, WHICH BARREL ARE WE USING NOW?"

The famous humorist queries the bartender at Klaproth's Tavern in Elmira, New York, about the current supply of his favorite bourbon, Old Crow.

OLD CROW

Kentucky Straight Bourbon Whiskey

For one hundred and twenty years, James Crow's magnificent bourbon has been gathering laurels from all over the world. You too, will praise Old Crow when you serve it—in the highly popular, milder 86 Proof bottling or the famous 100 Proof Bottled in Bond.

NOW—TWO GREAT BOTTLINGS!

Today available in a milder, lower-priced 86 Proof bottling as a companion to the historic 100 Proof Bottled in Bond

"The Greatest Name in Bourbon"

THE OLD CROW DISTILLERY COMPANY, DIVISION OF NATIONAL DISTILLERS PRODUCTS CORP., FRANKFORT, KY.